

in the Ottawa Journal of last evening. It is a despatch from Manchester, England, and reads:

The Manchester Chamber of Commerce is joining other cotton trade organizations in making representations to the Canadian tariff board concerning the Ottawa agreements and their resultant tariffs on the cotton trade.

The Manchester chamber believes reductions in the Canadian tariff already announced are unlikely to enable British cotton, artificial silk and textile exporters appreciably to increase their trade. The chamber emphasizes the importance of the earliest possible removal of the exchange rates, dumping duty and other additional taxes and to replace them all by one single straightforward tariff for each class of goods.

Mr. DONNELLY: This is another item in respect to which the British preferential and general tariff rates have not been changed, the only change being in the intermediate rate, under which there are no importations. The minister has stated that this change has been made without consulting the aluminum people, so the government must have had some other reason for taking this action. I should like to know the real reason for making this change. Was it done just to have a change, or why? No importations are coming in from the intermediate countries; they all come in under the British preferential and general tariffs. A change has been made in the intermediate rate and I should like to know what effect it will have on the trade.

Mr. RHODES: The hon. member will note that the increase in the intermediate rate is two and a half per cent. Inasmuch as we have placed a duty of 30 per cent upon the raw material, we could not properly place a lower duty upon the finished article, otherwise a premium would be placed upon the importation of manufactured goods.

Mr. YOUNG: I presume the raw material is made up of aluminum in sheets, and I cannot understand why it is necessary to place a duty against that commodity. My information is that Canada is the cheapest place in the world in which to manufacture aluminum due to the fact that we have such immense water power close to tide water. Why should such an industry have a protective tariff?

Mr. RHODES: It is in conformity with the agreement arrived at to have aluminum free within the empire.

Mr. YOUNG: I do not understand.

Mr. SPEAKMAN: It was suggested a short time ago by one of my hon. friends to my immediate right that I had voted in favour of all of these items and therefore I [Mr. Cayley.]

was heartily in agreement with them. It is quite true, owing to the way in which they have been brought down as part of an agreement, I have voted for all these items, just as my hon. friends have voted against every item which gave an advantage to us in the British market.

Mr. YOUNG: Name the items.

Mr. SPEAKMAN: Just as they have voted against any preference, any advantage we might have in the British market. Owing to the fact that each had to defend an opposite viewpoint of one agreement, it is impossible to support one item without supporting all, or to oppose one without opposing all. Were these schedules brought down as part of a Canadian budget, if they had no further implications and were to be considered wholly upon their merits, my attitude toward them might have been different. In view of what has been done, I am in exactly the same position as are my hon. friends; I have supported some things I do not like for the sake of things which I consider offer some value. I believe we get more than we lose. There are things which, I am sure, my hon. friends, in their hearts, would like to support, but they feel they cannot swallow others. Placing one against the other, and taking all we receive and all we pay, I believe we have an advantage, and for that reason I support the agreement. That, however, does not debar me from expressing any criticism I feel like offering with respect to the part of it with which I do not agree.

Mr. POULIOT: In the columns of to-day's Ottawa Journal, I read this heading:

To aid return of prosperity across Europe.
Great Britain, France and Germany form economic alliance.

This is very serious. The item we are considering is a small one but I wonder whether the commodity that will be manufactured under this preference will be made in Germany. This is a point I brought up yesterday. It is of the utmost importance, on account of the fact, as was stated, that the re-exports of the United Kingdom amounted in 1931 to £64,000,000. Those were goods imported into Great Britain and re-exported from that country. I wonder if the government has any assurance that the goods under this item that will enjoy the British preference will be manufactured in Great Britain.

Mr. RHODES: The hon. member will bear in mind that the provision with respect to empire content would provide that the aluminum in question would come from Great Britain rather than from Germany.