

*Customs Tariff*

Mr. ILSLEY: If we pass the order in council it is.

Mr. BENNETT: No, because the statute says:

For the purposes of this act articles shall not be deemed to be of a class or kind made or produced in Canada unless so made or produced in substantial quantities—

That is not what we undertook to do. We should say, "For the purposes of this act articles shall not be deemed to be of a class or kind made in Canada unless ten per cent of the normal Canadian consumption is produced in Canada."

Mr. ILSLEY: We do exactly that when we pass the order in council.

Mr. BENNETT: But that was not what we undertook and promised.

Mr. ILSLEY: We said that we would do it.

Mr. BENNETT: But we must do it by statute.

Mr. ILSLEY: We did not say that.

Mr. BENNETT: That is the sense of that note, and I will tell the minister why. When you promise that you will do something, it is assumed, as between nations, that you do it at least in the form which gives permanency to it during the life of the agreement, but an order in council may be rescinded the day after it is passed, or the next day. That is not so with regard to a statute, which requires the three branches of government to cooperate to bring about that end.

I want to make this clear, that in the letter we wrote to Japan we undertook to define what is of a class or kind made in Canada. Having thus defined it—and I submit this as a matter of good faith—we should follow exactly the terms of that letter and say that for the purposes of this act articles shall not be deemed to be of a class or kind made or produced in Canada unless produced in sufficient quantities to supply ten per cent of the normal Canadian consumption. That was what we said in the note, and I think it is not unreasonable to expect the statute to embody the terms of the agreement. To do otherwise is not what we promised, at any rate; to do otherwise is to leave to the executive action that, clearly, the terms of the agreement contemplated should be taken in another way. I cannot see that this is doing what we said we would do.

Mr. ILSLEY: The Japanese are interested in having their goods treated in a certain way when they enter this country, and it is a

[Mr. Bennett.]

matter of complete indifference to them as whether that is done by act of parliament or by order in council so long as it is done. That is the important matter from the standpoint of Japan. Certainly it is not to be thought that a government which enters into an undertaking will violate it. This authorizes the government to carry out the undertaking; that is the intention of the government, and that is all we agreed to do.

Mr. BENNETT: I do not want to prolong the discussion, but I am sorry to hear my hon. friend adopt that view, for even during the worst moments of the depression, when we had to rely so much on the governor in council to take such action as might be necessitated from day to day, the argument which was then made was treated with contempt by the opposition of that day. Now we have the hon. gentleman saying, "We are not interested in the way in which the matter is to be accomplished. What we are interested in is whether it is being done."

Mr. ILSLEY: I said that was what Japan was interested in.

Mr. BENNETT: I am talking about Japan. For the moment I was think of Canadians; I was thinking of other people affected besides the Japanese. If this concerned only Japan I might be in a different position, but it is because I believe this will prejudicially affect a great many industries in this country, that it is desirable that this should be known at once, and that their death should not be prolonged any more than necessary, because there is no order in council at the moment. There is a letter outstanding; Japan is receiving the treatment that accords with the application of the ten per cent, but there are industries in Canada.

I now put this case to the committee: The consumptive power of this country with respect to some articles is very great in the east and very small in the west, and in some instances very small in the east and great in the west. This is a very large country. The demands of eleven million people scattered over a wide area are not easy to ascertain. A small concern in the east may be able to supply the requirements for specialized articles in the east, and on the prairie and in the west the demand may be great, so that the result is that the factories do not produce ten per cent of the entire consumptive power of Canada, although they supply sufficient to meet the requirements of that particular area. In many instances we have brought goods in from other countries sometimes free and sometimes at low duties; then the dumping