

THE CANADIAN CLUB
OF TORONTO
1929-30

(July 13, 1929)

Address

BY THE RT. HON. HERBERT N. MARLER, P.C.*

In the absence of President Scripture, Mr. G. M. Smith, Vice-President, introduced the speaker: As a fresh man in this part of Toronto I feel very diffident in presiding over a joint meeting of the Canadian Club and of the Board of Trade, but men of business seem to require holidays and in the absence of the President of the Club, Mr. Scripture, here I am. I am particularly sorry that he is absent because this is our first meeting in this magnificent new hotel, the Royal York, which is the latest achievement of the enterprise and of the good taste, may I say, of the Canadian Pacific Railway. Here we hope to hold many successful meetings during the coming year, but I am particularly sorry that he is not here when we have the good fortune and privilege to have as our guest the Rt. Hon. Mr. Marler, who is His Majesty's first Minister Plenipotentiary to the Empire of Japan. I think we can congratulate ourselves, the Canadian people, and the government of Canada, in getting Mr. Marler to take on this new and important task. The institution of a legation at Tokio is a further step in the cautious and successful development of Canada's diplomatic relations. It is a sign that we recognize that Canada faces not only east to Great Britain and Europe and south to the United States but also westward across

*A joint meeting with the Toronto Board of Trade.

the Pacific to the Far East. In the east our trade, as everybody here well knows, is constantly increasing. In the Pacific there are problems which seriously demand the study and understanding of the Canadian people. The solution of these problems lies in the friendly intercourse and the friendly co-operation of the nations bordering on the Pacific, including that of Great Britain, which, although she is not in the Pacific is one of the great Pacific powers, and that new legation, it seems to me, is a sign that Canada is about not only to pursue her interest in the Pacific but to take up her responsibilities there. I am not going to take up your time and Mr. Marler's in talking about his distinguished career. His public service and achievements are well known. We welcome him to Toronto and we wish both to him and Mrs. Marler our cordial good wishes for the success of this new mission in Tokio. Gentlemen, Mr. Marler.

HON. MR. MARLER:—My first words, Mr. Chairman and gentlemen, must be to express my very deep appreciation for the kindness of the Canadian Club and of the Toronto Board of Trade in receiving me in this very warm manner at this large meeting in your splendid City of Toronto today. On my way, as I am, from my home in Montreal to assume the duties of my post as your Minister from Canada to the Empire of Japan, I can assure you that your words of encouragement will be a most potent factor in assisting me in the work I am required to do in Japan, not only in the interests of Canada but also in the interests of the Empire. Naturally, the opening of our legation in Japan, being, as it is, our entry in a national way into a new field, has aroused considerable interest. The opening of that legation requires to the citizens of Canada certain explanations, with candor, not so much as coming from a public man, not so much as coming from a diplomatist, but from one who is a Canadian and who has at the bottom of his heart one object and that is the service of his country and the service of Canada to the British Commonwealth of Nations as a whole.

You will ask me without a doubt into what categories, or into what divisions the significance of this mission falls. There are two headings which we could very properly dis-

cuss. The first is the political significance and the second is the commercial aspect. As to the political significance I have dealt with that on another occasion at greater length. With your permission today Mr. Chairman will you allow me to take up more the commercial aspect insofar as opening our legation in Tokio is concerned. Let me say this, that political significance has nothing whatever to do with partisan politics in any sense of the term at all. Your ministers abroad speak for no party. They adhere to no party. They are appointed to represent the views of whatever government may be in power in this country, notwithstanding what may have been their past political associations or their past political ideas. In other words they speak, not, as I say, for party, but for Canada as a whole.

To explain further what I mean it is proper to observe this, that the activities of the modern state fall under two great headings, first, domestic, or internal affairs, and secondly, external or foreign affairs. As regards domestic affairs we are not concerned just at the moment. As regards foreign affairs, those affairs in turn fall into two classes; first those of political significance, secondly those of commercial or administrative significance, the first dealing with problems between foreign powers, relating to such things as arbitration, the making of peace and war agreements, expanding as regards the general and formal relations between two foreign powers. Those are what are called affairs of political significance. Commercial or administrative activities on the other hand embrace such matters as immigration, trade and matters of that description. Now the mission on which I am sent embraces not one of these activities but the two. It embraces those of political significance but also those of commercial significance, and possibly the first question which will occur to the minds of those who hear me today will be this; Why does Canada in any way interfere in these matters of political significance? Why does she not delegate matters of that description entirely to the regulation, as has been done largely in the past, of those in charge in Great Britain?

Canada, Mr. Chairman, is dealing at present with affairs of political significance in foreign affairs because foreign affairs are of vital interest not only to her own well being

but also to the well being of the great commonwealth of nations of which she is a part. That commonwealth as you are aware has assumed an entirely different viewpoint, perhaps has become a more complex political entity at present than it was in the past. It now consists of Great Britain, who speaks for herself and for a great mass of dependencies in various stages of evolution and progress, with Canada the premier Dominion—South Africa, Australia, Newfoundland, New Zealand, and the Irish Free State. All these free and equal nations by solemn declaration at the Imperial Conference of 1926 declared that they were equal to one another, autonomous in domestic affairs, and equal in foreign affairs. But let me make this point abundantly clear, that equality does not in any way mean division. On the contrary it means cohesion. It doesn't mean that Canada or any of the self-governing dominions speaks for the Commonwealth as a whole. Canada and the Dominions each speak for themselves in matters pertaining to themselves. Insofar as Commonwealth matters are concerned there must be co-operation, consultation between all the nations—Canada, Great Britain and the others, so that when an opinion is given or a decision is reached, then the Commonwealth can speak with one voice and the solidarity of the British Empire be kept up entirely and in every way. So there is no question as to division, no question as to separation, no idea in the very slightest degree of Canada establishing her legations abroad and taking her place with the other nations of the Commonwealth in foreign affairs as creating a divided opinion. Quite to the contrary. The idea in the minds of all your Ministers is to continue the cohesion of the Commonwealth and make the Commonwealth more solid as time goes on. We have that idea in mind, sir, because we know this. We know the solidarity of the British Commonwealth of nations, in which we are one of the equal nations, is the greatest factor for the preservation of the peace of the world today. We know that by cultivating, as we should cultivate, the most friendly relations between Canada and the other members of the Commonwealth and between the Commonwealth as a whole and the other nations of the world, we are doing more to achieve what are the great objects and the great ambitions of the

British Commonwealth of Nations, that mission being, what should be the mission of every civilized nation of the world, to preserve the peace of the world before all else.

Secondly, Canada going out into this new field of endeavor is only carrying out with absolute loyalty towards Great Britain and towards all other nations of the Commonwealth the purpose of giving her viewpoint, of giving her ideas, of being on the spot so that if any question comes up at any time, as many questions will arise in this complex entity of which I have spoken, the British Commonwealth of Nations will be on the spot to interpret to the other ambassadors her ideas along with them, so there will be no question of division, no inception of division, and co-operation and co-ordination will take place before an opinion is expressed, so that the opinion may be expressed with one mighty voice of the British Empire and that opinion I need not tell you, has one objective in view only. It is not an objective of aggression. It is not an objective of selfishness, but an objective to promote liberty and true democracy in all parts of the world and to keep the people free and give them the best that nations can give them.

The British Commonwealth of nations today is a very complex political entity. You know of what that commonwealth consists. It consists of nations in every quarter of the globe, nations of every color, nations speaking various languages, nations professing all kinds of religion, nations having various economic ambitions. You might well ask me then what keeps these differences together. What makes a citizen of the British Commonwealth of Nations proud of that fact, no matter where he may live, no matter what his religion may be or what his color? These differences are kept together, that pride is engendered, not by force, but by freedom, not by armies and not by navies, but because we all know that we live under those intangible, unseen and mostly unwritten conventions known as the British constitutional institutions, embraced in which in all cases are liberty, equality and justice.

Now why do we not delegate to the people of Great Britain, actuated as we are by our loyalty to the flag, our loyalty to the King, and our loyalty to the Commonwealth, why do we Canadians not delegate to others this question

of internal affairs? It will appeal to you when I say this, how is it possible when we consider what the British Commonwealth of nations consists of at the present time, for any one nation to understand all about another nation? Is it not our part, is it not our duty? Would it not only imply but indicate in the most positive manner weakness on the part of Canadians unless we were ready to go out into the world and take our stand with Great Britain and the other nations of the Commonwealth in doing our share in what we should do, explaining what we should explain, co-operating as we should co-operate, instead of saying to a sister nation, already overburdened with her own affairs, "You take on your shoulder the job which we should do ourselves"? I am sure it appeals to you that we should be doing our own jobs, and we should assist on every matter within our power, thus promoting the solidarity of the British Commonwealth of Nations, and not ask any part of the Commonwealth to do the job which we Canadians should do.

It will appeal to you at once, Mr. Chairman, from what I have said as regards the political significance of this mission, that political affairs and commercial affairs, the second undertaking of which I have spoken, must be related. We cannot, for example, have satisfactory commercial relations unless we have satisfactory political relations, nor can we have satisfactory political relations unless we have satisfactory commercial relations. Both go hand in hand. Each is difficult. Each is pregnant with opportunities for misunderstanding, full of opportunities for disagreement. Your Ministers abroad are there to prevent any of these misunderstandings from ripening into serious difficulty. Your Ministers abroad are there for the purpose of quenching every little fire. Your Ministers abroad are there for the purpose of keeping the various nations of the British Commonwealth of Nations marching on parallel roads and towards the same objectives, because it will appeal to you at once that if one of those nations stray off that road, that nation will soon be marching towards an entirely different objective instead of the great objective which we all have in our hearts at the present time, that is to say the preservation of the peace of the world at large. There are nations

regarding which we have particular ideas, with which we are closely allied commercially, to which we are closely allied geographically, and for other reasons. Japan is one of those nations. Japan being one of the nations in which Canada is particularly interested, is it not natural, with our trade growing as it is growing at the present time, to say nothing of its great future potentialities, for you to have representation in Japan, not only to look after that trade, but also to promote the most friendly relations between the people of the illustrious Empire of Japan and the Canadian nation. The people of Japan welcome us. They are our nearest neighbor across the Pacific. We in Canada are the gateway between the Occident and the Orient. More than that we are also the only member of the League of Nations on the continent of North America. Further than that we are also one of the members of the British Commonwealth of Nations. We have those factors, those qualities in our power. We desire to promote the most friendly relations between the people of Japan and the British Commonwealth. Therefore, your Minister will have in mind first of all, and in a manner which will transcend every other ambition he may have insofar as Canada is concerned, to keep up the most friendly relations between the people of Japan and the Dominion of Canada. That is his first object.

Now by carrying out that ambition, by promoting the most friendly relations between Japan and Canada, it goes without saying that in the promotion of these relations and in the achievement of that ambition, that the name of Canada will be made better known and I may say, sir, without in any way boasting, that your Minister will have no hesitation in saying what he thinks of Canada, and I think I have expressed myself on more than one occasion thoughts which are innermost in your breasts that we as Canadians are the equals of any in any other part of the world and, if I may say so in all humbleness, the superiors of some, and that our progress in this country cannot be measured merely by our progress in the last twenty-five years or less than a generation, but it will be measured in far greater extent in the future, or the next generation, than it has been measured in the past. The evidences of our progress surround us on all sides. We don't have to guess at them. We see them.

The fertile lands on our prairies are barely touched by the plough; our mineral resources barely scratched, our manufacturing activities still in their infancy. Join that, Mr. Chairman, with the increased population which is bound to come to this country and I venture to say that we Canadians have a future greater than that of any other nation in the wide world. On the other hand it is only right to say this, that while we desire to increase our markets, while we desire to increase our trade in every way, that, while those ambitions are quite laudable in every respect, still at the same time we must always have in mind first of all the keeping of the most friendly relations between the nations of the Commonwealth and other nations of the world.

But insofar as we are concerned in Canada the opportunities are very great for us to trade with Japan. We do not go to Japan asking for any preferential treatment. We do not wish to deny to any other nation of the Commonwealth her just share of the trade. Indeed we do not desire to deny any other nation in the world her share of the Japanese trade. All we ask for is fair rivalry and open competition in those goods which we can produce and which Japan needs at the present time. You are well aware of the great progress which has been made in the Island Empire in education and in manufacturing. But Japan like every other nation has her problems to solve also. Her population is growing at the rate of no less than a million a year. Her manufacturers require the very products which we can furnish; and while our trade started with Japan in a comparatively small way it has increased to a very marked extent. I do not say, Mr. Chairman, for one instant that as a result of our mission in Japan every business can be increased. I do not say that every manufacturer in Toronto will directly feel any advantage from the opening of this legation. But we are too big now to simply consider trade between city and city or between province and province. What we want to build up and what should be our goal is the development of our national export trade and it therefore follows that if trade is increased in some commodity in some other part of the Dominion you will certainly have the reflection of it in Toronto and in all our cities either in the purchase of goods or the purchase of trans-

portation or in some other way. In other words if we build up national trade in the Dominion of Canada, it is bound to react beneficially in every center of the Dominion.

Our trade with Japan has progressed to a very marked degree, when you realize that in 1913, or only sixteen years ago our total trade with Japan was less than \$5,000,000 and in 1929 our trade with Japan had assumed the very respectable total of \$60,000,000. That shows the possibility of increasing our trade. But there are other factors which I would ask you to bear in mind. They are that Japan is taking from us the very commodities which we are producing at the present time in Canada in the greatest abundance and which in the future we shall produce in still greater abundance. Take for example a few of our commodities exported and the difference between the goods exported in 1928 and 1929. In 1928 we exported wheat and wheat flour valued at slightly over \$12,000,000. For the last fiscal year, ending March 31, 1929, our export was valued at \$20,000,000. In logs, piling and planks, 1928, our export was \$6,000,000; in 1929, nearly \$7,000,000. Fish, dried and salted, we exported one year less than \$1,000,000; the next year over \$1,200,000. Aluminum, lead, nickel, zinc, in 1928 over \$7,000,000; in 1929 over \$8,000,000; or in other words the increase in these few commodities alone, commodities of which we will produce a far greater quantity in the future, our trade increase for 1929 over 1928 was \$10,500,000.

Those figures are no doubt enlightening. Our trade increased from less than \$5,000,000 in 1913 to just under \$55,000,000 in 1929, or eleven fold; and our trade increased in these particular commodities over \$10,000,000. But those figures do not show to me that we have done all we should do as far as trade with Japan is concerned. Japan for the last figures available (1927) imported over one billion dollars worth of goods and commodities, of which \$370,000,000 came from the continent of North America. We exported to Japan for the same year 1927 only \$30,000,000 out of the \$370,000,000. I do not want in any way to depreciate what our Canadian people can do, but I simply say that we did not take the full advantage of our opportunities in so far as the export of our goods to Japan

is concerned, and I will tell you why. In 1927 we exported to the United Kingdom \$9 per capita worth of goods; to the United States \$4.50; to the Netherlands \$4; Australia \$4; Belgium \$3. We have precisely, to all intents and purposes, the same class of goods that we could export to Japan. What did we export to Japan in 1927? Only 50 cents per capita. With the resources that we have, with the energy of our Canadians, with our perseverance, we could develop an enormous potential market for the export of Canadian goods to the Empire of Japan. There is also this factor to be considered. Japan is the doorway to the Orient. The time will come when an enormous trade will be possible with the east, China and the other nations, when they assume national cohesion and when they have assumed the position of trading more than they do with the nations of the world. There is enormous opportunity for further trade for Canada with the east and Japan is the doorway to the Orient. Our trade with the Orient as at present has increased from \$63,000,000 in 1927 to \$86,000,000 in 1929 and that trade, and the potentialities of that tremendous market for the very goods which the Orient calls for and which we are capable in every way of producing, could no doubt be expanded by hundreds of millions of dollars.

What I want to say is this. There are two parts of the mission on which I am being sent. The first is the diplomatic side and the other is the trade side. Your trade commissioners in the east have done splendid work for us, but your legation in Tokio is to be organized in such a way as to embrace not only the diplomatic side but also the trade side. In other words you will have servants in Japan to furnish you with all the information you require, to promote any industry you think proper to ask them to promote, to advertise those industries in the best way they can. While you may call your Minister an Envoy Extraordinary or Minister Plenipotentiary, while you might dress him up and he may or may not look handsome with gold braid and a useless sword, he is simply your agent to promote the good of Canada in the Orient. Being your agent, going there to keep together the solidarity of the Empire, which I freely admit will be my first object, but besides that to promote

your trade in every way, he must have the support of organizations like the Toronto Board of Trade and the Canadian Club. In the Orient we do not want so much speeches by public men, these are easy to make, but we want to show the people of the Orient what we are capable of doing. I am aware that there is nothing that our producers and manufacturers in Canada cannot do, when you realize the enormous strides we have made. Twenty-five years ago we were only producing in Canada something like \$500,000,000 worth of goods a year. We export in manufactured goods today more than our total production of those days. When you realize our trade today is over two billion six hundred and fifty million dollars, or over \$200,000,000 a month, you realize the tremendous strides which have taken place in twenty-five years, and during those twenty-five years we were engaged in a terrible war for possibly seven of them. Any man who is a Canadian, any man reading these figures, any man having the love of country at his heart, cannot for one moment question the ability of our Canadian people to go into any part of the world and manufacture the best goods that can be manufactured and to capture the trade in any part of the Empire of Japan or China, exactly in the same way as other people have gone there and captured that trade. But I am bound to say this, and you will forgive me, that I do not think in so far as the east is concerned, we have taken all the opportunities which lie open to us. We have not established the direct contact which is necessary for the purpose of selling goods or for the purpose of advertising our country. We have not established, as I think we should establish, representatives from financial institutions who will look after the financial arrangements there with the assistance of those servants you are sending over. And I haven't got it in my heart to think that we lack courage in establishing actual points of contact insofar as trade is concerned. What I ask you to believe, if I may ask it in all humbleness, is this: we, your representatives, are ready to give you our best. We are only going there to serve you. We are only going there to promote your welfare, to make the name of Canada known, and I hope loved, in those parts of the world having far less advantages than this Dominion of ours. We are

going there with humbleness in our heart, knowing that we cannot accomplish all these things in one or two years, but with perseverance and courage perhaps they can be accomplished over a term of years. What I ask you to do is to lend your assistance and co-operation, to help your servants in the Orient to do what they would like to do for you. I can assure you, you will not find them wanting in any respect at all. Please, on your part, do your utmost to assist them in what they themselves want to do.

F. A. ROLPH, VICE-PRESIDENT, Board of Trade:—Gentlemen, Professor Smith and I are in the same boat today—I am merely representing somebody else, but it affords me great pleasure to represent Mr. John A. Tory, President of the Toronto Board of Trade. We thank you for the opportunity of combining with the Canadian Club today to listen to such interesting remarks as have been made by Mr. Marler. The Canadian Club and the Toronto Board of Trade are non-political bodies, but the City of Toronto is well known not to be a very hearty supporter of Mr. Mackenzie King's Government. But I can assure you, gentlemen, and I want to assure Mr. Marler, that we can congratulate the Hon. W. L. Mackenzie King on his appointment of a man of the capacity of Mr. Marler to this important post in Japan. I can only say on your behalf that we are deeply grateful to you for coming here and giving us such an interesting address. I have listened to you at a previous meeting today for an hour, and I am deeply impressed by your interest on behalf of the people of Canada, and your anxiety to do them service. I feel sure Mr. Marler and Mrs. Marler are making great personal sacrifices in going to far-off Japan. However, some people tell me it is lovely to live in the Flowery Kingdom. I wish on your behalf, gentlemen, to extend our appreciation to Mr. Marler and our congratulations to Mr. Mackenzie King in having selected him; and we wish that life in the Flowery Kingdom shall be all that could be desired. We wish him also God Speed in the mission which he has so much at heart.