

den 17. Februar 1939

Ha. Boykott.

ah 17/2

Den mit dortigem Erlass vom 29. November v. J.
zur Verfügung gestellten Artikel aus der "Gazette"
(Montreal, 29. November 1938) reiche ich Ihnen in der
/ Anlage wunschgemäß zurück.

Mit Beziehung auf den Erlass vom 9. Dezember
v. J., dem das Rundschreiben der Firma P. B. Hart, 1449
/ St. Alexander Street, Montreal, beigelegt war, beehre
ich mich beiliegend einen Ausschnitt aus der "Gazette"
vom 15. Februar d. J., überschrieben: "Firm here Scored
in Italy for Refusing to Sell Scrap" vorzulegen, in
dem ebenfalls angebliche Äußerungen der Firma P. B. Hart
wiedergegeben werden.

I. A.:

W/D

WG

An

das Deutsche Generalkonsulat

O t t a w a .

Star
157/2/39

WEDNESDAY, FEBRUARY 15, 1939

Montreal Firm Irks Fascists

Italian Paper Assails Refusal to Ship Scrap Iron

MILAN, Italy, Feb. 15—(A.P.)—Refusal of a Canadian firm to ship scrap iron to Italy, Germany and Japan drew editorial fire yesterday from Premier Mussolini's newspaper Popolo d'Italia.

A brief editorial said the firm of P. B. Hart, Montreal, had informed a Genoese company that no more shipments would be made until Italy:

1. Revoked all anti-Jewish restrictions.
2. Denounced the Rome-Berlin axis.

The firm further announced it would make no shipments unless it were assured they would not be used in the manufacture of armaments, the paper said. The firm, according to the editorial, concluded its statement to the Genoese firm by saying it expected a law soon would be passed in Canada and the United States, forbidding such shipments to Italy, Germany and Japan.

The newspaper commented: "We find ourselves faced by the tragic dilemma imposed by the Canadian judgment, either to give up racial defence and the Rome-Berlin axis, or to give up trans-oceanic old iron.

"There is no escape from this dilemma without thinking of the menace of a law consecrating Hart firms to commercial sanctions."

The paper said the situation was made worse by the realization that the iron would go instead into airplanes which "Mrs. Roosevelt promised France," (Mrs. Eleanor Roosevelt, wife of the President of the United States recently expressed approval in her newspaper column of the sale of American-made warplanes to France).

Comment On Report Refused Here

P. B. Hart, head of an apparently prosperous textile business in the Mayor Building, resolutely refused to comment on the report when seen in his office this morning.

"I have nothing to say," he pointedly remarked when asked to disclose what he knew about the matter. Further, he refused to see the interviewer personally, conducting his remarks through the medium of the office boy.

The business Mr. Hart runs is that of manufacturer's agent, and he is also an importer of textile goods. Finally asked to make some statement, he sent back the message, "I have nothing to say; that's final."

Star 157/2/39

MONTREAL, V

Firm Here Scored in Italy For Refusing to Sell Scrap

Duce's Paper Denounces 'P. B. Hart' but Local Raw Materials Dealer of That Name Denies Charges

Milan, Italy, February 14.—(A.P.)—Refusal of a Canadian firm to ship scrap iron to Italy, Germany and Japan drew editorial fire today from Premier Mussolini's newspaper Popolo d'Italia.

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The paper said the situation was made worse by the realization that the iron would go instead into airplanes which "Mrs. Roosevelt promised France." (Mrs. Eleanor Roosevelt, wife of the President of the United States, recently expressed approval in her newspaper column of the sale of American-made warplanes to France).

P. B. Hart, listed as a dealer in raw materials, said last night he knew nothing about the reported refusal of a Montreal firm to ship scrap-iron to Italy, Germany and Japan unless anti-Jewish restrictions were lifted and the Rome-Berlin axis denounced.

He made the statement after the newspaper Popolo d'Italia said in Milan, Italy, that "the firm of P. B. Hart, Montreal," had refused to ship scrapiron unless conditions were met.

"I am the firm of P. B. Hart," he declared, "but I am not in the scrapiron business." Mr. Hart said his business was in textiles. Asked if any letter had been written to Italy, he replied: "I know nothing about it and have nothing further to say."

Mr. Hart's address is given in the telephone directory as 3548 Grey avenue, with his office at 1449 St. Alexander street.

Deutsches Generalkonsulat
für
Kanada und Neufundland

Montreal
Ottawa, den 9. Dezember 1938

Dtsch. Kons. Montreal
Eing.: 12. DEZ. 1938
Sagob. Nr.

Mein Schreiben vom 29. November, betreffend
Rundschreiben einer Montrealer Firma, ist dadurch er-
ledigt, dass ein Abdruck des Rundschreibens, das von
der Firma P. B. Hart, 1449 St. Alexander St., Montreal,
versandt wird, hier beschafft worden ist. Eine Ab-
schrift des Rundschreibens fuege ich zur gefaelligen
Kenntnis bei.

Handwritten notes:
12/12
Vorgang
12/12

An
das Deutsche Konsulat

M o n t r e a l .

Cables "Hartex" Montreal.

Telephone Lancaster 0844

P. B. HART

Textile Raw
Materials and
Service.

Second Floor Mayor Building
1449 St. Alexander Street,
MONTREAL

Textile Testing
Laboratory and
Reports

Member:- American Society for Testing Materials
(A.S.T.M.) Philadelphia, USA.

Without engagement and subject to our confirmation and acceptance and to the terms and conditions outlined on our contract forms, we offer you,

Refer to Offer No.

Dated Montreal 28th November 1938

TO THE TEXTILE INDUSTRY OF CANADA:-

As a Distributor in this Dominion for over twenty years of Textile Raw Materials of various types to the industry at large, and as one who has assisted in the development of such industry and grown up with it, I view with great alarm the effect of the Most Favoured Nation Clause in our Tariff as now applicable to the three totalitarian powers, Germany, Italy and Japan.

As the Customs Act now stands, with the coming into power on January 1st, 1939 of the new Canada-United States Trade Treaty, have you considered that the concessions granted on the items in this treaty, will, with its coming into force, be automatically granted to Germany, Italy and to Japan?

At the outset I desire to state that it is my personal opinion that the new Canadian-United States Treaty will in due course prove of important benefit to the peoples of the two great North American Democracies, but only if those benefits we are granting the United States be refused to Germany, Italy and Japan.

SHOULD THE MOST FAVOURED NATION CLAUSE be granted to Germany, Italy and Japan after January 1st 1939?

I maintain decidedly NO. And Why? Because, in my opinion, if like concessions are granted to Germany, Italy and to Japan, this country will be forthwith flooded with merchandise from the "Sweat Shop" industries of the totalitarian states which the Canadian industry cannot compete against. The term "Sweat Shop" may sound harsh, but nevertheless it is the truth. As we all know, organized labour in these three states has been smashed; the right of the worker to bargain for a decent standard of living has been taken away; the peoples of these three powers are compelled to work for starvation wages; they have all lost their liberty of thought and action; the states in question are on the verge of bankruptcy and goods will be dumped into this Dominion regardless of cost, the Canadian Textile Industry will be given a death blow, Canadian Textile workers will lose jobs, and FINALLY, THE CONCESSIONS CANADA IS GRANTING TO THE UNITED STATES WILL PROVE TO BE INEFFECTIVE, for the simple reason they themselves cannot meet the competition of what I say practically amounts to forced or prison labour.

In

In Short, the United States, to whom Canada is granting concessions, will not benefit for the reason outlined.

If you are in agreement with my opinion,

I ASK YOU TO COOPERATE WITH ME BY REQUESTING THE FEDERAL GOVERNMENT TO FORTHWITH DENOUNCE ITS TRADE TREATIES WITH GERMANY, ITALY AND JAPAN.

In order that the benefits of the Canada-United States Trade Treaty may be realized by both countries it is necessary that Canada withdraw the benefits of the Treaty Clause to Germany, Italy and Japan, and put them under the General Tariff where they belong.

The time for action is short. In just about a month the provisions of the new treaty will become operative, and unless our Trade Treaties with the totalitarian states are cancelled, in my opinion, disaster faces the textile and other industries affected in this Dominion.

HOW CAN YOUR PROTEST BE BEST HEARD BY OTTAWA?

I suggest a wire followed by a letter outlining your particular case to the Prime-Minister at Ottawa. I suggest a copy of that wire and letter to be sent to the Federal member of Parliament of the riding in which your plant is located. I also suggest that you place the matter before your local Board of Trade or Chamber of Commerce and ask them to request the Federal Government to act accordingly. I SAY PROTEST AT ONCE, DO NOT DELAY.

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THIS AGENCY DOES NOT HANDLE GERMAN, ITALIAN OR JAPANESE RAW MATERIALS, nor do we render any services to firms in totalitarian states.

The matter I now speak about is personal but I wish you to know about it.

When Hitler assumed power in Germany I represented important sources of supply of raw material in that country. As soon as his racial policy started along with the persecution of Catholics, Protestants and Jews alike I denounced my agency agreements with German firms with one stroke of the pen. Sources of supply in Germany, I replaced with British and Italian raw materials.

For many years I have declined to handle any Japanese goods.

In August of this year when the Government of Italy decided to adopt the racial policy in that country, I gave my suppliers ample warning of what would happen in so far as I was concerned if such policy was not immediately revoked.

It was not so I denounced my agency agreements with Italian firms.

This as stated above is a personal matter and in view of the recent scenes of unparalled brutality in Germany, I have no regret for the course which I adopted, regardless of the monetary loss involved.

The materials which I heretofore supplied from Italy will be supplied by producers in the United Kingdom, France and the United States.

I personally refuse to render any service to firms of totalitarian states.

In conclusion I thank the Textile Industry in this country for the confidence placed in me the past twenty years and assure you of my continued service and support in the future.

P. B. Hart.

A copy of this Bulletin is being sent to the Prime Minister of Canada, to the Minister of Finance and to the Minister of Trade and Commerce, to the Montreal Board of Trade, and to the Canadian Manufacturers Association and the Chambre de Commerce de Montreal. Further copies may be had upon application to my office at Montreal.

Montreal, den 29. November 1938.

A LOOSE ARGUMENT.

The Minister of Labor, Hon. Norman Rogers, addressing the Eastern Ontario Liberal Association at Ottawa on Saturday, endeavored to argue away the effects which Canadian concessions under the revised reciprocity agreement will have upon this country's interests. These concessions, he is reported to have said, are not being extracted from any one section of the Dominion but affect all areas, while at the same time all these areas will share in the benefits which will flow from the operation of the agreement. This has a very comforting sound but is not quite so reassuring as the Minister intends it to be. As an argument in support of the agreement it lacks force by reason of the fact that the reference to territorial sections tells only part of the story and is in this regard misleading. It may be quite correct to say that each of the areas mentioned by the Minister receives advantages under the agreement, besides making concessions, but the really important point is not territorial, but industrial, and is expressed in the fact that in a large number of instances concessions are made at the expense of industrial interests which receive no compensation, or no adequate compensation. In other words, the benefits are not shared, or are not shared equally, by those who are being called upon to pay the price.

Then there is the operation of the most-favored nation provision of the agreement, to which we believe more and more attention will be paid, and with increasing misgiving, as the document is studied in and out of Parliament. In a communication to the textile industry of Canada a Montreal agency engaged in the distribution of raw materials protests against the extension of Canada's textile concessions to Germany, Italy and Japan, the statement being made that these three countries will participate in the benefits of the agreement as fully as the two contracting countries and that the results will be seriously detrimental to Canadian industries in this branch of trade. The picture painted is a decidedly gloomy one, the writer predicting that unless the concessions granted by the Dominion to the United States are withheld from Germany, Italy and Japan this country will be flooded with merchandise "from the sweatshop industries of the totalitarian states which the Canadian industry cannot compete against." Use of the term "sweatshop" is justified in the communication by the statement that organized labor has been smashed in the countries named, that the right of the worker to bargain for a decent standard of living has been taken away and that the people in all three countries have lost their liberty of thought and action and are compelled to work for starvation wages. It is contended further that while Canadian industry will suffer severely the concessions given to the United States will prove useless to that country because American industries themselves cannot compete against what "practically amounts to forced or prison labor."

The Government may have an answer to this proposition. If so, the answer should be forthcoming without delay because if the textile industry is being placed in the position described, so in all probability are others. It is, in any event, plain that the value of the concessions granted mutually by this country and the United States cannot be estimated with any accuracy if the same concessions are to be extended automatically to other highly industrialized countries where labor is cheap, and extended upon a non-reciprocal basis.

George D. Gardner

E. J. [unclear]