

necessity of putting up her goods in the style to which our market is used. It is all right for Canada to help Australia by extending the services of our trade agents and trade commissioners to her, but it is not our business to give Australia greater and greater preferences in order to try and force a market in this country for Australian goods, putting the consumers of Canada to very greatly increased expenditure in the purchase of these products. There is no need of that. They would want a still higher preference. The real solution is for Australia to take advantage of the very considerable and sufficient preference which she has got and develop the market in the way that any other alert nation would do.

Now, sir, I want to picture to the house, if I can, the conditions existing in Australia at the present time, and under which the hon. members who have introduced these amendments want us to abrogate the treaty or very seriously revise it. Australia, as the hon. member for Vancouver Centre (Mr. Stevens) said, is in some respects dissatisfied with the result of the treaty. It has not worked out as she anticipated, she has not sold us the amount of produce she expected to do—particularly in the matter of raisins, which is a very urgent question in that country—largely, as I have suggested, through lack of business initiative. You have got a dissatisfied country to deal with. Then let us consider the financial conditions in that country to-day. Australia is in a very bad economic condition, she has strikes and labour troubles of various kinds. Here is what the Trade and Commerce Journal for March 22, 1930, says:

All the banks—

"All," Mr. Speaker.

—are imposing a more stringent check upon the volume of imports to conserve their balances in London.

How are they imposing that more stringent check? As hon. members know, we are paid by the Australian importer, not in cash, but by a draft on London, and the banks in their efforts to stop our selling goods to Australia have raised the exchange prices so high that in some cases this paper states they are up to six per cent. Again I read:

Possibly,—

Note that, Mr. Speaker.

Possibly, when drafts are paid, the collecting banks may remit a portion of the total.

They may. Say a man in Australia owes me \$5,000, but I may get only a portion of that debt because the banks there in order to conserve their balances in London are restrict-

ing importations. In other words they are doling out the available money. Such a condition has not been paralleled for many years. I recall a somewhat similar condition in the United States, I think in 1907, when money was so scarce there during a financial panic that if you took a cheque to your bank for payment out of your own funds they would ask "What are you going to do with the money?" And if you could not give them a wholly satisfactory reason, such as that you were paying wages, you would not be able to draw out your own money. There is a condition almost parallel with that now existing in Australia. The hon. member for Vancouver Centre admits that we are suffering no great injury from the operation of the Australian treaty, that is, in any particular class of trade; eggs are not coming in at all; butter is coming in, but to such a small extent from Australia that there is no complaint. In fact no harm is being done to us, instead we are getting great advantage from the treaty. But Australia is dissatisfied with the bargain they entered into, as we are selling them about six times as much as we are buying from them. Consequently they are unwilling to buy more from us, and their banks are doling out money in an effort to restrict their importations. Under those conditions we are going to that country with a demand—it is not a request—to abrogate the treaty or to get more favourable conditions for Canada. Under those circumstances what on earth can we expect the answer will be? They will tear the treaty up and throw it in our face. They will say: "We have been waiting for this opportunity, and now it has come." We cannot put forward the *Oliver Twist* proposition in a case like this. I do not think the opposition parties could have selected a worse moment to suggest a revision of the treaty. It is a short-sighted policy. If a man is working for a big company, and times are very bad, so bad that he is only working part time, he does not select that moment to kick about getting an increase of wages. We do not find fault with the culture of the fire brigade when our house is burning; we are only too willing to get the services at the moment.

I am asked, why should it be such a critical time for British Columbia? I will explain the position. There are several reasons and one of the most urgent at the moment is the condition of the lumber industry. It is on record to-day that the United States senate has voted to impose a duty of a dollar and a half a thousand on our lumber going into the States. That means a most terrible blow to our lumber interests in British Columbia.