

the average rate on them is 24.06 per cent. So that our rate against them is 7.23 per cent. higher than their rate against us. However, our importations from Australia are in large measure admitted free; so that if we take the figures of the total trade from Australia to Canada, we find that the average rate of duty upon it is 16.9 per cent., while the average rate of duty on the total foreign trade to Australia is 21.5 per cent. Therefore on dutiable goods alone we have a higher wall against them than they have against us; but if all classes of goods are taken into account, they have a higher wall against us than we have against them. This is due to the fact that fully half of the four or five classes of goods that we take from them are on the free list. Now, as I have pointed out, we grant a wider margin of preference. For example, if the initial Australian duty were 24 per cent., the preferential rebate of $\frac{1}{4}$ would bring it down to 18 per cent. If the Canadian initial duty were 31 per cent., $\frac{1}{4}$ off that would bring it down to about 21 per cent. We give a greater preferential reduction than they do, but we start with a higher tariff wall against them than they have against us, and in the end, if minimum were given for minimum, ours would still be higher against them than theirs against us.

When we come to the question of a list-for-list arrangement, we shall have to consider what we can send them and what they can send us. Perhaps the best way to find out what we can send them is to see what the United States are sending, because the United States are sending them from \$25,000,000 to \$30,000,000 a year, while we are sending them only one-sixth to one-eighth as much; and yet the great bulk of the goods which the United States are sending to Australia, on exactly the same terms as we are sending, are goods which we can produce and on which we could compete with the United States in the Australian market. My contention is that if we are able to secure in the Australian market a slight advantage over our American competitor, we shall be able to divert a considerable portion of that trade from the United States to Canada, which I think is a very justifiable object. Looking, then, over the list of goods shipped by the United States to Australia, we find the principal ones to be: boots and shoes, of which in 1909 they sent \$263,000 worth; ammunition and explosives, of which they sent \$279,000 worth. I may say that on boots and shoes, the duty against both the United States and ourselves is 35 per cent; the preferential rate is 30 per cent, on ammunition the duty is 5s. 6d. maximum, and 5s. minimum. On explosives the duty is 20 per cent. maximum, 15 per cent. minimum. Had we the 5 per cent.

advantage on explosives I think we could do a considerable business in that line. Some of the other goods are fish, furniture, india-rubber, manufactures, metal manufactures, paper, timber, wood manufactures, vehicles, bicycles and motors. Of furniture the United States sends them \$222,000 worth a year. On that the duty is 35 per cent. maximum, 30 per cent. minimum. A 5 per cent. advantage would, I think, help us to do a considerable business in that line. Of india-rubber manufactures the United States sends them \$135,856 worth a year; the duty is 25 per cent. maximum, 20 per cent. minimum. Of metal manufactures, the amount sent by the United States is very large—over \$1,000,000 worth of wire, over \$3,000,000 worth of machinery, over \$1,000,000 worth of other metal manufactures, \$6,810,000 worth of railway iron, over \$400,000 worth of plates and sheets. On these goods there is a varying tariff, but in most cases the difference between the maximum and the minimum is about 5 per cent. on the cost of the articles, and if we had that advantage, I am quite certain we could do a large trade with Australia in metal manufactures. With regard to paper, ordinary news print paper is free. The United States sent \$799,000 worth in 1909. Of timber the United States sent \$2,887,000 worth. Of wood manufactures they sent \$389,000 worth. Of vehicles, bicycles, motors and parts they sent \$487,000 worth.

Mr EMMERSON. What is the nature of the timber shipped from the United States? Is it mainly southern pine?

Mr. AMES. No, the timber shipped from the United States is almost all Douglas fir and Oregon pine from the American Pacific coast—Oregon and Washington. We claimed there that our Canadian product is better than the American, and we urged that if we were able to secure a slight advantage we could supply their wants very largely from our British Columbia forests. Now, taking these articles a little more in detail, let me show some of the main items of our present exports:

Exports of some Canadian Products to Australia for the year ending March 31, 1910.

Class of goods—	Amount.
Tinned fish..	\$ 475,000
Agricultural implements and machinery..	1,260,000
Printing paper (mostly news print)..	800,000
Undressed lumber..	340,000
Bicycles, motor cars, &c	300,000

Our total exports to Australia are \$3,900,000. So it will be seen that these five items make up fully 80 per cent of all we send to Australia. In 1909, we shipped \$650,000 worth of rails and fish-plates. They were trying them out on