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were classified as raw materials. On the other hand, out of \$868,012,000 worth of commodities imported from the United States, no less than \$233,999,000 worth or 27 per cent, were classified as raw materials. Thus our imports of raw materials from the United States were absolutely greater than our total imports from the United Kingdom. Again, our imports of raw materials from the United States were nearly five times as large a proportion of our total imports from the United States as our imports of raw materials from the United Kingdom were of our total imports from that country. Now, under our tariff and under the tariffs of almost all other countries, raw materials are allowed either free entry or minimum rates of duty, while manufactured articles are subjected to higher rates of duty. Evidently, the higher ad valorem percentages of duties paid on imports from the United Kingdom than on imports from the United States are very largely due to the difference in the rates of duties paid on raw materials and on manufactured products. To take one example, we import from the United States great quantities of raw cotton to be worked up in our manufacturing industries, while we import from the United Kingdom great quantities of manufactured cotton goods competing with the products of our own factories. The raw cotton imported from the United States comes in free of duty,

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