

laid down the policy of the Conservative party, and gave a clear declaration as to what would be its course in the future in so far as tariff relations between Canada and other countries are concerned.

Mr. H. B. AMES (Montreal St. Antoine). Mr. Speaker, it had been my intention at the last session of parliament to bring this matter of Australian-Canadian reciprocal trade relations to the attention of the House because it seemed to me that it was a matter of very considerable importance. But, the Reciprocity Bill which was brought down by the former government so altered our entire situation that I felt it inopportune to go on with the discussion. I, however, am very glad, at this time when the matter has been raised by the hon. member for St. John, (Mr. Pugsley) to take occasion to make a few observations to the House in connection with Canadian-Australian trade. When that Reciprocity Bill was brought in last session, as I said a moment ago, our status in so far as our power of negotiation was concerned was completely altered from what it hitherto had been. We were practically inviting all the other sister dominions throughout the British Empire to come in as an incident of the bargain that we were making with a foreign nation, sending them, so to speak, around to the back door and letting them in with a stranger's ticket when we should take them in at the front door and deal with them as sisters in the same great nation. Now that the reciprocity question is settled, and let us believe it is settled for many years to come, and we are back where we were before, prepared to negotiate with other parts of the empire, I think we can well spend an afternoon in discussing wherein our trade relationships can be improved. I believe that the present government, even in the short time it has been in office, has given ample proof that it is extremely anxious to enlarge our trade relationships. Because we did not accept the late government's proposition as regards reciprocity with the United States, we have been accused of unwillingness to enlarge the opportunities of Canadian trade with other parts of the empire. That accusation, I believe, Mr. Chairman, is entirely unjust. The reason the reciprocity arrangement was opposed by members on this side of the House and was rejected by the country, in my opinion, was that it involved an entangling alliance in the matter of tariffs and made it possible, or even probable, that we should lose our liberty of independent action.

Now, the very condition of affairs which throws on this side of the House the responsibility on account of the rejection of reciprocity with the United States is a condition of affairs which we would welcome if it related to an arrangement which we

might make with other parts of the British Empire. The more we can get entangled and bound together with the other parts of the empire, the better it will be for us all. We were the first self governing Dominion to adopt the principle of preferential trade. It is now 13 years ago since we made our famous offer to Great Britain and since that time we have kept that offer in force although our friends in the motherland have not reciprocated. It appears to me that we have gone as far as we can in that direction; the next step is that when the motherland is prepared to place her children upon a better basis than strangers in her market we shall be prepared to make still further concessions than those we have already made. But for the time being while Great Britain is unable to give any advantages to us it seems to me that we cannot be called upon to make any larger opportunity for her. But with the other members of the empire that have a fiscal policy similar to that under which we live, which have tariffs that can be reduced towards favoured nations, with them we can make preferential treaties and along that line of least resistance it seems to me it would be wise for us to go. Both Canada and Australia have already adopted the principle of reciprocal arrangements with other parts of the empire. Canada has made an arrangement of that kind with New Zealand and with South Africa. She has offered concessions to the West Indies which they have not yet reciprocated and she has also offered concessions to many other parts of the empire. Australia on her part has reciprocal trade arrangements with South Africa, and with New Zealand, and she grants a preference on British goods going in to that country, so that both Canada and Australia have established the precedent that they are prepared to make arrangements of this kind. But, although these two countries are the two leading British possessions they have as yet no mutual arrangement the one with the other, and each towards the other is a stranger in the matter of tariffs. Canada and Australia, although they are both countries carrying on large commercial operations throughout the world have comparatively small dealings the one with the other. We find that Australia imports annually goods to the amount of about \$300,000,000 and yet all that we Canadians send her is about one and one-third per cent of that. We find that Australian exports annually goods valued at \$360,000,000 and yet of these exports we take but one nineteenth part. So that the trade as it at present exists between Canada and Australia is very much less than we in both countries would wish it to be. That may be partially due to defective steamship service, as