

tion our Customs tariff should primarily be framed for Canadian interests, it should, nevertheless, we think, give a substantial preference to the Mother Country, and also to any other part of the British Empire with which reciprocal preferential trade can be arranged, recognizing always that under any conditions our minimum tariff must afford adequate protection to all Canadian producers.

"We favor," said Mr. Drummond, "an immediate revision of our present Customs tariff, and the adoption of a general tariff, framed especially to meet Canadian conditions, based, in principle, upon and approximate to that now in force in the United States—a tariff that will protect Canadian industries and pursuits as efficiently as the tariff of the United States protects the industries of that country. We favor also a policy of reciprocal preferential trade within the British Empire whereby through readjustment of their respective fiscal systems, the United Kingdom and her colonies will each grant to the products of the other a substantial preference as against the products of foreign countries.

"We believe that to make our preference in favor of Great Britain of real value to her as against her foreign competitors, the base of Canada's general tariff must be raised sufficiently high to make the percentage form of preference really effective."

"Many signs point to the general election in Canada at an early date, and we therefore state our views once again so that there may not be any possible doubt as to the position which the Canadian Manufacturers' Association take in reference to the fiscal policy which is absolutely necessary for Canada."

According to Mr. Drummond the avowed policy of the Canadian Manufacturers' Association is the immediate revision of the tariff, based, in principle, upon that now in force in the United States, that will protect Canadian industries as efficiently as the tariff of the United States protects the industries of that country. In other words reciprocity of tariffs is the policy of the Association.

THE TARIFF PREFERENCE.

We favor an immediate revision of our present Customs tariff, and the adoption of a general tariff framed especially to meet Canadian conditions, based in principle upon and approximate to that now in force in the United States—a tariff that shall protect Canadian industries as efficiently as the tariff of the United States protects the industries of that country.

This is one of the declarations of policy of the Canadian Manufacturers' Association made at their banquet in Toronto last month. The Association is of the opinion that a revision of the tariff is necessary, and that it should approximate in character to the tariff of the United States.

We favor a policy of reciprocal preferential trade within the British Empire whereby through readjustment of their respective fiscal systems, the United Kingdom and her colonies will each grant to the products of the other a substantial preference as against the products of foreign countries.

To make our present preference of 33½ per cent. in favor of Great Britain of real value to her as against her foreign competitors, the base of our general tariff must be raised sufficiently high to make the percentage of preference really effective.

The adoption of a general tariff will not only have the effect of encouraging the development of Canadian resources, which would be in the best interests of the Empire, but would more effectively than now tend to divert to Great Britain our orders for surplus requirements.

We must, however, of necessity, provide that under any conditions the minimum tariff must afford a fair protection to Canadian producers, so that the high standard of wages

and living in Canada may be retained on a parity with the wages and living in the United States.

"Reciprocal preferential trade with Great Britain and such other British countries as may desire to come into the arrangement, all other countries being excluded therefrom, at the same time the preferential schedules of the tariff must be sufficiently high to afford adequate tariff protection to Canadian industries." This might be denominated a minimum tariff; and the tariff to be levied against imports from all non-British countries, including the United States, not necessary for protection, might be called the maximum or general tariff.

The question naturally presents itself why, except for sentimental reasons, Canada should extend tariff preferences to Great Britain and other countries under the British flag, and not to other countries with which we do business simply because they are not British, but foreign; and it might also be enquired why non-British countries should be discriminated against, except for retaliatory purposes?

If the schedules of the minimum tariff afford adequate protection to Canadian industries, why should there be a maximum tariff except for retaliatory purposes? Germany, France and some other countries maintain dual tariffs; and the Canadian offer to British countries other than Great Britain, provides that the preferential, or minimum tariff may apply where the tariffs of such countries are, in a general way, as favorable to Canada as our tariff is to them. Why not, then, make this offer apply to all countries? Germany applies her maximum tariff to Canadian products because Canada discriminates in favor of Great Britain; and Canada retaliates against Germany by the imposition of a sur-tax on German imports. The arrangement seems to work very well, then why should not Canada adopt a general dual system of tariffs applicable to all countries. Under such a system it would not be necessary to enact laws of a retaliatory character aimed directly against the United States; and it would be entirely for that country to decide under which tariff her imports should obtain admission to Canada. Such tariffs would be automatic, and the tendency would be to equalize and simplify all the conditions of trade.

THE BALANCE OF POWER.

Referring to a report in a Toronto paper that Mr. Drummond, president of the Canadian Manufacturers' Association had laid down the platform upon which the Association would face the people at the next Dominion election, Mr. McNaught, chairman of the tariff committee was asked what part the Association intended to play in the elections, to which he replied.—"No part whatever as a political organization. The Association is out of politics. Its members belong to both parties, and the Association will not connect itself with either party. What we purpose to do is to endeavor to pledge every candidate in the next election to the support of protection. This will be done openly, and the result in each riding publicly announced. When both candidates pledge themselves in support of our policy, the members of the Association in that riding can use their discretion as to which candidate they will vote for. Where only one candidate pledges himself, the members can still exercise their discretion. In no case will the Association do anything in an active manner to influence any one."

Mr. McNaught further stated that not a dollar of the Association's campaign fund would be used for election purposes—that this fund was being expended to promote the sentiment in favor of "Made-in-Canada" goods, as well as the cause of