

the American imports are free goods, many of them, in consequence, going to swell the volume of our exports to Britain. Of the dutiable goods a very large proportion consists of materials, implements and articles which are really not produced in Britain, or not in such forms as are at all suited to Canadian needs.

Canadians and Americans live under similar conditions on this continent, have practically the same fashions, habits, standards and methods of life and work. They use the same implements, machines, means of transportation, styles, materials and details of buildings, together with all their interior fittings. Hence, outside of those lines in which Britain already holds most of our trade, when we do not use Canadian, we desire American goods. When we examine our German, French and other imports, we find that a large proportion of them represent other phases of specialized trade, which cannot be shifted by preferential arrangement other than of the most drastic character. In the case of raw materials and goods of large bulk, where national, technical, aesthetic and other such qualities do not count, the trade can be shifted by preferential treatment, but these are either not furnished by Britain or she enjoys the trade already. Thus, so far as the preference has stimulated imports, it has been chiefly at the expense of the Canadian manufacturers who live by the tariff and suffer from its reduction. Unless, therefore, we sacrifice to Britain bodily those industries in which her goods are capable of supplying our markets, there is little else that we can put in her way by fiscal arrangement. This, then, is the chief explanation of the unfavourable statistics connected with the preference.

On the side of Canadian exports to Britain, we cer-