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THE QUESTION OF RECIPROCAL PREFERENCE.

The British Blue Book, containing the proceedings of the Conference of Colonial Premiers, and Mr. Fielding's Memorandum on the same subject, read like the protocols of a treaty, as far as they go; but in the end they disclose no completed treaty, for the good reason that there was none to disclose. Mr. Fielding's Memorandum may be regarded as a supplement, not intended as a contradiction or correction of the Imperial Blue Book. If such negotiations took place between two independent governments, we should expect them, in case of success, to eventuate in a formal treaty; if further negotiations between the Colonial Premiers and the British Government should, at some future time, lead to a formal agreement, it would almost necessarily take the ultimate form of reciprocal legislation, of which Canning set the example in dealing with the United States, eighty years ago.

The Canadian Ministers led the way in advocating the extension to other colonies of preferential trade,

of which our Parliament has already, on its part, given two instalments. They urged the adoption of this Canadian precedent by the Premiers of other colonies; they did not, however, ask that preference should come from one side only, but that the general principle of preference should be accepted by both sides to the negotiation: the colonies and Great Britain. For himself the Canadian Premier told what he would be prepared to do, if negotiations on a reciprocal basis would be entered upon by Mr. Chamberlain. They would, if they got preference for the food products of Canada, and the general principle of mutual preference admitted, then they would recommend to the Parliament of Canada such an increase of duty on foreign products, as would turn more of the Canadian trade to the benefit of the British manufacturer, provided he is in a position to produce what Canada requires.

In urging the other Colonial Premiers to admit the principle of colonial preference, the object evidently was to lay the foundation of a stronger claim to reciprocity of the colonial preference. What would serve as a reply to the Canadian proposal came in the shape of what some of the colonies would do, in this respect. No general term will express what the various colonies are prepared to do, in the way of preference. The Canadian Premier pledged Canada to maintain the present preference of thirty-three and a third per cent., and prepare an additional list on special articles. New Zealand is willing to give a preference of ten per cent., on the whole list. Australia had not yet made up its mind so as to be able to make a definite offer. One difficulty is that Australia finds a market for most of its wool in Germany. Canada, would, in return for substantial reciprocity, find a means of increasing the present preference, on condition that such addition would not seriously hamper its own domestic industries. Some of these industries are complaining loudly of the present preference, as it operates in its second phase; and the difficulty would be to reconcile the duty of not seriously affecting domestic industries with a further augmentation of the amount of preference. But both are promised, as a condition of obtaining substantial reciprocity, especially in foodstuffs.

Before this offer was made, Mr. Chamberlain had decided that the existing preference was insufficient to justify reciprocity by Great Britain. The trade of Canada with Great Britain forms too small a portion of Britain's trade with the world to be seriously considered. Thus it has become a question of more or less; just what would happen in the negotiation between two unrelated countries. We believe that Sir Wilfrid Laurier would have difficulty in carrying a bill for granting a further preference, one enlargement of the original amount having been productive of no little hostile criticism.

In all such cases the interest that is benefited and the interest that bears the sacrifice are not identical, and the man that gains and the man that loses, cannot be made to see eye to eye the policy which helps one and disoblige the other. What we have gained by the conference is the knowledge that the only way to success is the give-and-take policy; if we are not prepared to give we cannot get, and if we give, as we have