

The Commercial

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TRADE WITH THE EMPIRE.

Free trade principles do not seem to have made much progress of late years. Protection has recently been carried to greater extremes than ever before. The McKinley bill has been adopted in the United States, while in France a measure intended to increase greatly the protective policy of that country, is under consideration. Several other countries of Europe seem to be making progress backward in their trade policies. This is very discouraging to those laboring for an enlightened trade policy, especially in Great Britain, as the protective policies of several countries bear especially heavy on Britain. The United Kingdom has an immense foreign trade, both export and import, and some of the countries from which Great Britain imports most largely, are foremost in placing enormous duties upon British goods. Thus in the fiscal year 1889, the latest one for which we have returns at hand, the United States sold \$392,981,674 worth of goods to Great Britain, and only took in return \$178,269,067 worth. In the last fifteen years there has been an annual balance of trade against Great Britain, in her dealings with the United States, of from \$165,316,771 to \$306,641,340. But notwithstanding her large purchases annually from the United States, the hostile tariff of that country is mainly directed against Great Britain and Canada. At the same time the United States is endeavoring to make treaties with various countries, which will give it advantages in the markets of these countries, not enjoyed by Great Britain and other nations.

In this age of hostile tariffs and discriminating commercial treaties, there is a great temptation for even the strongest free trade countries to take some steps to protect their interests. Some time ago THE COMMERCIAL ventured the opinion, that this show of hostile trade legislation might lead to a movement to encourage trade among the different divisions of the British Empire. This idea seems to have already been acted upon to some extent. The recently published annual report of the London (England) Chamber of Commerce, contains the following:—

"It has been decided to convene in 1892 the Congress of the Chambers of Commerce of the British Empire, which held a first sitting in 1886. The immediate reason for holding this Congress is the desirability of discussing with duly authorized colonial representatives what steps, if any, can be devised in order to develop the trade relations between the mother country and her colonies and possessions. The action of European States in interfering with the natural exchange of British products by means of constantly increasing tariffs and bounties, and the late adoption of the McKinley tariff by the United States, indicate the desirability of serious consideration of the future industrial and commercial relations of the component parts of the Empire. It is probable that the Congress will be convened for April or May, 1892, in order to coincide as nearly as possible with the opening of the Imperial Institute. Such an arrangement, it is thought, will facilitate the nomination and attendance of delegates at both functions. The programme for discus-

sion will be compiled when the replies and suggestions of the Colonial Chambers shall have been received."

The importance of the announcement contained in the above is very great, and the interests to be affected are vast and varied. Herein lies the chief difficulty to a successful conclusion of the proposed Congress. The commerce of the British Empire is the greatest and most varied in the world. The Empire is made up of countries in all parts of the world, in temperate, tropical and frigid zones. Almost every commodity of commerce is produced in some part of the Empire. If, therefore, the freedom of trade is to be continually interfered with, and commerce driven from its natural channels by hostile legislation, the British Empire is in a position to withstand this kind of legislation better than any other country. If driven to it, the Empire could live very largely within itself.

As to the outcome of the proposed congress, it is very hazardous to venture an opinion, but it may be said with confidence, that the result will depend very much upon the tariff legislation of other nations in the meantime. If the tendency should continue in the direction of higher duties and discriminating treaties between high-tariff states, it is quite possible that a commercial union of some nature may be advised between the different countries of the Empire. On the other hand, should the protectionist wave show signs of breaking, the chances for such an agreement would be lessened. But even under the greatest incentives, there are some weighty obstacles in the way to the completion of a commercial arrangement covering the Empire, though we will not say that these are insurmountable. To show the difficulties which exist, it is only necessary to point out that among the self-governing divisions of the Empire, there are both free trade and strongly protectionist countries. To reconcile these and other antagonistic interests, will certainly prove anything but an easy task. While a customs union, amounting to complete free trade between all parts of the Empire, would no doubt meet with considerable favor in Great Britain, it is not the ideal which is looked for by many of the colonies. On the other hand, it is not to be expected that the British Government will undertake to impose duties upon products coming from foreign countries, in favor of the colonies, while the latter maintain high duties upon the products of British factories. A complete customs union, by which trade throughout the Empire would be as free as between the states of the republic to the south of us, seems to be the only possible scheme which would commend itself to the mother country. Would the colonies abandon their customs tariffs? Would the British public submit to a tax on bread and meat to induce Canada to enter the union? or the British manufacturer agree to a tax on wool, to bring in Australia? These queries indicate some of the monstrous barriers in the way, which may be left to the reader to think over.

Canada, as an agricultural country, produces a vast quantity of such products as are largely imported into the United Kingdom, and the mother country is our best customer, in spite of the high duties imposed upon British

goods. A further extension of our trade in the same direction, both export and import, would certainly be to our advantage. Aside from any special agreement, we have the means of encouraging this trade in our own hands, through our customs tariff. We cannot, however, hold out any hope of the adoption by Great Britain of a tariff of discrimination against other countries, in order to encourage trade with the Dominion.

LABOR LEGISLATION.

About the most important problem before the people of Great Britain at the present time seems to be the labor question. In fact it may easily be claimed as the most important question before the people, as it is the one which promises to be the main issue in the next general election. The government has appointed a Royal Commission to investigate and report upon the labor question. It is expected that legislation will be mapped out in accordance with the report of the commission, and on the strength of this the government will appeal to the country. It is evident from this that labor questions have been forced well to the front in Great Britain in recent years, and the fact that this question is likely to be made the chief issue in the next political contest, is a matter which is worthy of careful thought by all interested in the future of mankind in general.

In connection with the appointment of the Royal Commission, it will not be surprising to learn, that the action of the government has created considerable mistrust in certain circles. From the utterances of public men, it is evident that employers and capitalists are not altogether pleased with the action of the government. On the other hand, men prominent in the commercial life of the nation, such as President Hill, of the Association of Chambers of Commerce, have endorsed the government.

The report of the commission and the announcement of the legislative measures to be based thereon, will at any rate be awaited with great interest. There are many who hold that labor questions should be entirely left to regulate themselves, and that this is not a legitimate matter for legislation. Others go to quite the opposite extreme, and they would regulate the hours of labor and many other contested points by legislation. While legislation may no doubt be carried to extreme in this as well as in connection with other matters, yet it seems unreasonable to say that legislation should not interfere at all with labor questions. There are undoubtedly many phases of the labor problem which come within the scope of legitimate legislative enactment.

Should any radical measures be brought forth as the result of the situation in Britain, all attention will be turned in that direction. The labor question is one of the most serious problems in every civilized country to-day, and any new move in Great Britain would certainly affect the situation in other countries.

On the point of the hours of labor, the assertion can be made that most people work too hard. This does not apply to employees in workshops and factories alone, if indeed it