

tive industries, and the United States established a tariff on the same lines, both being arranged in total disregard of English precedents, or English interests, or English pretexts. The growing attachment of Canada to the Mother Country in the last quarter of a century, and the determined exclusion from the States of all Canadian products, as far as possible, developed a feeling, that there ought to be a closer fiscal union arranged between the Empire and the colonies. It certainly seems anomalous for "the brightest jewel in the British Crown" to impose heavy duties on the goods sent from Great Britain, when no duty whatever is charged on Canadian goods entering British ports. But, as Sir Alexander Galt very ably pointed out, in one of his speeches in 1859, "direct taxation is impracticable in Canada for raising a national revenue, consequently import duties must be imposed." We are brought then to the existing situation. All parties, here and in England, as also in Australia, are most anxious to strengthen and to quicken, or vivify, the Imperial bond between Great Britain and her colonies. It is believed, that a large portion of the trade now done by England with foreign nations could be transferred to the colonies, by which process their development and enrichment would be materially advanced, without laying any burden on the Mother Country. But here we come to the parting of the ways, to different views as to the best mode of promoting "Inter-Imperial Trade." The Canadian Government to test the question and show Canada's good-will, reduced the duty on British imports in 1897-98, by 12 1-2 per cent.; in 1898-9, by 25 per cent., and then by 33 1-3 per cent. The Government boasts that this policy did actually enlarge our trade with England. But, singularly enough, the Cobden Club has issued a blunt denial of this claim, in which the Club asserts most vigorously, that "the preference shown by Canada to England has utterly failed" in its object. The Club asserts that Sir Wilfrid's preferential tariff has done more to enlarge Canada's trade with the States than with Great Britain. To illustrate how the tariffs of the old land and of Canada work, the Club shows, that British goods entering Canada last year bore an average duty of 10 per cent.—£1,534,000 duties being paid on £7,978,000 imports—whereas on £20,355,000 of Canadian goods entering England, not one cent of duty was charged. On those two facts, it is claimed that the next move is due from Canada to still further enlarge its preference to British goods, as England cannot take another step. But, the party in Opposition, and some prominent supporters of the Government declare that, as Mr. Charlton says, the advance of the preference to 33 1-3 per cent. is a mistake, and, to the plea that Great Britain must place a duty on foreign wheat, etc., to give Canada an advantage, the Honourable Mr. Chamberlain says: "The Canadian plan is impossible for the Mother Country." Thus, the preferential tariff question is, at present, in a deadlock,

and will be until some scheme is devised for an Imperial Zollverein establishing a system of mutual preference throughout the Empire. That will carry us some years into the 20th century. Those who discuss the preferential tariff question generally overlook the difference which exists between the products which Great Britain is able to export to Canada, and those which the States can and do export. They are not the same class of goods, except in some cases of no great importance, and they cannot be subject to the same duties, if due consideration is given to our trade requirements. We take raw materials from the States to the value of many millions of dollars yearly, whereas such goods could not be supplied by Great Britain. Now, cheap raw materials are necessary for our manufacturers, therefore, they are admitted free; but, the main imports from Great Britain compete with our native manufactures, consequently, their importation is restricted by duties intended to protect native industries. Thus, we get another deadlock, as it is hopeless to expect that Canada will obstruct the entrance of cheap raw materials from the States, which means a practical preference given to that country, and, equally hopeless to look for the duties being entirely removed on the finished goods of Great Britain, which compete with those of Canada.

The above sketch of earlier tariff discussions and changes in Canada shows that, the present differential tariff question is the very reverse of what was agitated some forty years ago; it shows also that the supreme difficulty in establishing an Imperial Zollverein, or a tariff of mutual preferences between the colonies and the Mother land, arises from the Free Trade policy of England, for, under that policy, England must treat all foreign nations equally as well as her own offspring—if they offer concessions in duties, she has nothing to give in return. Canada was driven into her protective fiscal policy by Free Trade being established, to her serious detriment at the time, and while Free Trade prevails in England, there will be an almost insuperable difficulty in establishing an inter-Imperial tariff, which will exclude foreign nations from the mutual advantages enjoyed by the British colonies. It is well for the discussion to go on, but foolish to ignore the difficulties of the question. The reaching out of the colonies towards Great Britain for help in establishing Imperial unity in some material form, is impressing the world outside the Empire, with there being now such unity of heart and soul, as binds every British citizen in loyalty to the British Crown.

COMING TO CANADA.—The English papers report with much positiveness that Lord Wolseley, on retiring from the post of Commander-in-Chief, will make an extended tour in Canada.

He will receive a right royal welcome from the Atlantic to the Pacific from the people of this Dominion.