

business basis, with weighing of reciprocal advantage, will tend to become the rule inside as well as outside the British Empire, though we hope that this will not involve any lessening of the forces of sentiment and imperial policy which have operated in the past and which animate the proposals of the British Government today.

Coming specifically to the proposal of the Chancellor of the Exchequer that we state what preferential duties would be of most advantage to our producers, and noting that the Chancellor quite properly observes it will be for the British Government to consider whether such duties would be in the interest of the British people, I now outline some of the chief Canadian exports to Great Britain in which an effective preference would be of most value. The list, of course, is not exhaustive.

Wheat obviously comes first and easily foremost. It is our most important article of export; the quality is unquestioned; the market is now highly competitive; Canada's export surplus is greater than the total British import.

We recognise, however, that in this case the issue has been decided. Mr. Baldwin has announced that the British Government does not intend to put a duty on wheat. We accept that decision without question. It of course restricts the