

Colonial Premiers in London there appears very little reason to expect that the British Government will depart from its avowed free trade policy in order to give a preference to colonial goods. The two points that have been considered are a preference within the Empire and a system of colonial defence. The colonial Premiers have not, of course, any power to bind their different governments. They can only exchange suggestions and perhaps give an idea as to how far their governments would be prepared to go. How far the British Government is prepared to go is shown in a statement of the Chancellor of the Exchequer made in the House of Commons repudiating the suggestion that the Government was contemplating a change in its fiscal policy. Sir Michael Hicks-Beach stated definitely that it was not the policy of the Government to encourage trade of the colonies by initiating a tariff war with other countries. Since then Sir Michael Hicks-Beach has retired from the Cabinet, but it is not likely that whoever takes charge of the Exchequer bench will have any other policy. On the question of defence Sir Wilfrid Laurier has made himself plain, and it is to the effect that Canada is not prepared to go any farther in the future than she has done in the past, that she will not establish a defence fund, but that she will always take care of her inland defence as she is doing now in the strengthening and improving of the militia, while at the same time in the event of war between Great Britain and any other country Canada may be depended upon to help the Mother Country as she did in the South African trouble.

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The one thing that has developed out of the conference has been that of the fast Atlantic steamship line, and a crisis was almost reached when the Canadian Pacific Railway announced that it had tendered for a fast Atlantic line between Canadian ports and the Old Country upon

a subsidy of \$1,250,000 being granted. The proposition of the C.P.R. has already raised a storm of opposition in this country. The steamship lines at present established at Montreal oppose any subsidy being granted to a railroad line which would naturally be expected to divert traffic from the present ocean lines to its own boats. The Montreal Board of Trade, at a special meeting, took the matter up and passed a resolution favoring a fast Atlantic mail and passenger service, with boats that should have a speed equal to the swiftest now in commission or contemplated on the New York route, and that the termini be Quebec and Montreal in summer and Halifax or St. John in winter, and disapproving of the subsidizing of freight steamers or the granting of a subsidy to a line of steamers under the control of any railway or combination of railways. The Corn Exchange of Montreal, too, have passed a resolution approving of a steamship service with a speed of at least twenty-three knots, but also disapproving of the subsidizing of freight steamers. Now that this fast Atlantic service seems to have taken definite shape a point that is likely to arise is whether Montreal or Quebec are ports to which these passenger steamers could be run. When large freight steamers, although smaller than the proposed fast passenger steamers, are unable to make their regular time up the St. Lawrence on account of the fog and ice-bergs the question is naturally asked how could these fast passenger steamers make the time requisite? Sydney, C.B., is stated to be a port that time could be made to, but from Sydney there is a long railroad haul round by way of Cape Breton and up the north shore of New Brunswick. The question of Montreal as a port for a fast passenger service is involved in this, and it may be depended upon that Montreal will oppose any subsidies to any steamship line other than running to her own port.