

num of labour employed upon them in Canada. Mr. Henry W. Whitney, of Boston, has written a notable article upon reciprocity with Canada, which was published in the Atlantic Monthly of October last. He says:

If we were to admit Canadian grain free of tariff charges, much of it would stay with us for home consumption; a portion would go through our ports to foreign lands.

Then, a little farther on:

New York and Boston and Portland are the natural outlets for the foreign trade of eastern Canada. St. John and Halifax are twice as far from Montreal as New York, or Boston or Portland. The Canadian Atlantic ports are not to be mentioned with the American Atlantic ports for passenger business.

Further on:

The elevators for storing and handling Canadian grain should be located on this side of the line, and the steamers of the Canadian Pacific and the Grand Trunk Pacific should, in the winter time at least, find their home port in New York or Boston or Portland. And if, under a reciprocity arrangement or otherwise, the farm products of Canada were admitted free of duty, the Canadian government would be friendly, instead of hostile, to the use of American ports for Canadian business.

Then, in a previous part of the article he says:

What might ultimately be the political effect of the establishment of friendly trade and social relations between the United States and Canada, is a problem that had best be left to work itself out in the years to come. It is quite possible, indeed I think it quite likely, considering the number of questions of domestic and foreign policy which might arise under such a condition, that the two nations would in the end become politically one.

And he adds:

But that would be a long way in the future, if it ever came to pass at all.

Mr. FOSTER. He thought he was too strong.

#### Revise Our Tariff for Ourselves.

Mr. BORDEN (Halifax). Now, what about the fiscal policy which we are to pursue in this country? We should have regard to Canadian interests in the framing of the tariff. If our tariff needs any revision to-day, let us sit down and get at it and revise it for ourselves, and let us do it without the assistance of the United States of America, much as we respect that great nation, and much as we desire to be on the most friendly and intimate terms with her. When we desired reciprocity, the United States did not spring into our arms, and there can be no offence surely in the assertion of Canada that she proposes to keep her commercial and fiscal freedom absolutely intact, and to proceed along the path on which she entered so many years ago.

#### Develop Our Own Country.

Sir, we should have a fiscal policy that aims at the development of our own coun-

try, at the employment of our own labour, at the increase of our own population, at the utilization of our resources. We ought to aim at giving the producers in Canada a reasonable opportunity of carrying on their business by equalizing the cost of production where they might suffer from competition under unfair conditions. We have natural resources in Canada which afford a foundation for many splendid industries. We have carried out such a policy as I have referred to, for the last thirty years at least, and why should we abandon it now? Upon what should our policy be based? Should it be based upon an attempt to create millionaires in this country or to impose unfair conditions upon any portion of the community? Not by any means. I believe that we in Canada, in the future still more than in the past, should attempt to shape our tariff upon scientific consideration of known facts. I believe it would be well that we should have exact information as to these matters laid before parliament.

#### A Permanent Tariff Commission.

I believe it would be well if we established a permanent tariff commission in Canada so that our tariff should not be made by rule of thumb. An agitation arises in some part of the country against a duty of 25 per cent., and it is said it should be reduced to 15 per cent. The Minister of Finance and the Minister of Customs get together and conclude that it ought to be reduced to 15 per cent. Then the industries affected declare in strident tones that a reduction of 15 per cent. would absolutely wipe them out and throw thousands of men out of employment. Thereupon the Minister of Customs and the Minister of Finance say: We will compromise, and we will make it 20 per cent. I do not think that is the manner in which our tariff should be framed; I think it should aim at equalization of cost of production so far as that can reasonably be accomplished. We ought to give the people of this country a fair opportunity to create industries, and to give employment, but we ought not to give it under conditions which would impose unjust burdens upon a portion of our people.

#### The Scientific Principle.

My idea of a tariff is one which would give a fair chance, and more than a fair chance perhaps, to stand up against competition of countries where, it may be, the standard of living among the labouring people is lower than in Canada, and lower than it ought to be anywhere. That I think is a reasonable proposition. A permanent tariff commission if established would be the most fitting authority to