

the action of Canada, which may easily be followed by other colonies. While it is not likely that for many years there will be an effective Federation of the Empire, the thing is inevitable and only wants crystallizing by some great and serious event. "We know," says the Recorder, "that our colonial kinsmen do not share the views of the mother country on tariff matters, and something in the shape of a Zollverein may be in the future. It is possible to so arrange it as to leave the power of competition in neutral markets unaffected, and if this happened we believe that only our own kinsmen would be serious competitors."

The Textile Recorder has the following to say by way of explanation and comment.

As a concrete instance Mr. Zossenheim showed that the German duties on woollen goods weighing more than 200 grammes per square metre was equal to 7½d. per pound; on those weighing less than that, one shilling per pound, ready-made clothing, 1s 4d. per pound; and manufactured goods often 100 per cent. of their value. For all these the German manufacturer finds in England a free and willing market, to the undoubted advantage of the purchaser on this side, because, being compelled to sell here in the face of open competition, he must needs abandon the benefit of his tariff. In Germany the price to the consumer is regulated only by internal competition, and a margin is left which enables him to keep his works going by taking orders at lower prices from abroad than he will accept from his own countrymen. Still the shoe does pinch makers in this country, and while recognizing the many advantages arising from our free fiscal system it is well to remember that our own countrymen settled in the colonies have not the same faith in it, and that when they enter, as they will, the councils of the Empire, the present view may be modified. While we in this country might complain of such a course, German makers could not, for it is merely meting out to them their own measure. It may, therefore, be prudent on their part to seize this opportunity of bringing their tariffs into nearer consonance with the true fiscal policy. They would probably not suffer in the long run, but, on the other hand, would show greater expansion, a thing which has always happened whenever the experiment has been tried. France becoming more rigidly protectionist year by year, is less and less a prosperous trading country, and compares very unfavorably with many of its neighbors. Germany has now an opportunity of taking a step in the right direction, and the duty of our Government to help it to do so by obtaining all the guidance possible from the trained commercial intelligence of the country is plain.

The obtuseness and conservatism that so generally characterizes the ideas of our British friends when considering their fiscal policy is exceedingly apparent in the conclusions of our contemporary. It assumes that Imperial unity will, in the not far distant future, be an accomplished fact, and that when that time comes, and the Colonies are represented in the councils of the Empire, changes will be made that will include the existence of a tariff which will discriminate in favor of British countries, and that when that time arrives Germany will be sorry, although unable to help herself. There are many things that must be brought about before this German grief will assume an acute form, and the advice that The Recorder offers to the country will not, in our opinion, be soon accepted. Under free trade Great Britain is not in a position to retaliate against Germany's unfriendly tariff, and there is no likelihood that that country will modify its fiscal policy merely because British interests are unfavorably affected by it. Why should Germany, who now holds the whip handle in the matter, modify its tariff, and bring its fiscal policy into

nearer consonance with the British free trade idea? How could it be possible that German trade would show greater expansion under free trade than now? France, our contemporary tells us, while becoming more rigidly protectionist, year by year, is less and less a prosperous trading country, but in our opinion that fact has no weight when we consider that Germany, and the United States also, while becoming more rigidly protectionist, year by year, are becoming more and more prosperous trading countries, while Great Britain after a half century of free trade, finds itself in a dilemma from which there is no hope of relief except a return to protection.

It may be a bitter pill for British free traders to swallow, but they will be forced to gulp down the medicine.

#### ARE OUR MANUFACTURERS PREPARED?

Now that there is a cessation of hostilities between the United States and Spain, leaving Cuba and Porto Rico virtually in possession of the Americans, and open to the world to supply the wants of the people of those islands, Canadian manufacturers, particularly of farm machinery, should ask themselves if they are prepared to share in that heavy and remunerative trade. Cuba and Porto Rico will need farm machinery and the demand is sure to come. In Cuba, the long struggle between the Spaniards and the Cubans has resulted in great destruction of property that must be made good, and our manufacturers should be prepared to step in and obtain their share of the desirable and profitable markets thus opened.

An intelligent writer in an American contemporary sizes up the situation as follows:—

"If it is safe to venture any predictions at all these days, I feel justified in proclaiming that the prospective market in Cuba and Porto Rico for agricultural implements is superb. I have two good reasons upon which to base such a belief. In the first place, we must remember the war of devastation which has been desolating Cuba during the past several years. We must readily understand, in view of such conditions, that the great bulk of all agricultural implements has fallen victim to the martial tread of blood and fire. The war between Spain and the insurgents has been one of property destruction, and the burden of the ruin has fallen on the agricultural interests. That means that Cuba's stock of implements, utensils and machinery is materially reduced. It means that the hand of the sword has hurt the hand of the plough; it means that in the Cuban struggle against Spanish control Scriptural prophecy has been reversed, and the ploughshare has been lengthened into a bloody spear.

"We all anticipate a great revolution in conditions in Cuba so soon as American influence becomes supreme. We look forward to the day, and an early one at that, in which a transplanted branch from the tree of American enterprise will flourish on Cuban soil to the great prosperity of her people. We are already calculating upon a revival thereof of all the varied lines of agricultural activities, such as will soon make 'the gem of the Antilles' blossom with the wealth of an exuberant growth. In fact, we felicitate ourselves on the splendid development possible to that country as soon as American energy and enterprise shall have begun their work.

"All is prospective expansion, improvement and development of agriculture will demand an immense supply of