

## CANADA'S TRADE WITH BRITAIN

## Tariffs and Transportation Are Discussed in London by Our Trade Commission

(Staff Correspondence.)

London, England, September 5th.

The members of the Canadian trade commission, Messrs. J. W. Woods (president), Theo. H. Wardleworth (vice-president), Frank W. Hathaway, H. Edmond Dupre, Frank Pauze, George W. Allan, and Roy Campbell (secretary), recently attended a meeting of the London Chamber of Commerce, England.

Mr. J. W. Woods, president of the commission, said the objects of the commission were, first of all, to see that Canada increased her exports, and that Canada sold just as much as she possibly could of her products to Great Britain, France and Italy. Their instructions were also to see that every dollar's worth of goods formerly obtained from Germany and Austria should be got, first within the empire, and secondly from our Allies.

Canada had problems such as no other country ever had. When reciprocity was before them some years ago, he thought it a good thing, but when Mr. Taft's letter to Mr. Roosevelt came out in which he announced that reciprocity would have made Canada an adjunct to the United States, he thought a second time. The longer he thought about it, the more convinced he was that reciprocity would have had the tendency of driving Canada towards the United States.

The United States was being made rich by the war, and when the war was over there would be an abundance of cheap money in America; her labor market would not be upset; she would not have a national debt or a burden of taxation to bear, and there was no doubt at all that the United States would be able to compete far better after than before the war. The United States and Japan would be able to manufacture so cheaply that it appeared to him that Great Britain would be compelled, in self-defence, to take those circumstances into consideration. In France and Italy, they had found a desire for graduated tariffs, a general high tariff for enemy countries, a low tariff for the Allies, with an intermediary tariff for neutrals. They had been repeatedly asked in France and Italy, "What is Britain going to do?" He believed it would be wise for the British policy to be decided upon and announced.

**Take Tariffs out of Politics.**

The Toronto board of trade had for some years urged for the appointment of a permanent tariff commission, as it did seem to be the height of folly that tariffs and other questions of such vital importance to the welfare and future of a State should not be lifted right out of politics and treated in a sane, sensible and scientific way. After the war, when hostilities ceased, there would be a period of armistice, while peace terms were being arranged, which would be dangerous and full of difficult problems, and they ought to know just what policy was intended to be followed.

Germany had revealed herself in such a light that they in Canada were going to cut her out entirely. There were raw materials that came from Germany which were essential to their industries, and they felt that such industries should not be allowed to suffer. If Germany made better dyestuffs than could be got from Great Britain or any other quarter, and Great Britain refused to use German dyestuffs, while the United States used them, then in the open markets of the world undoubtedly goods dyed with the German article would sell best. That and similar problems would arise and would tax the minds of the wisest of their statesmen, and they thought that passion and prejudice should be kept entirely on one side and that whatever was done should be done in the light of reason and commonsense.

**Difficulties of Transportation.**

Mr. T. H. Wardleworth, after outlining some of Canada's potentialities and the effect of the surtax in past years on Germany's trade with Canada, suggested that the question of transportation might merit more than the attention of the transportation and shipping companies. In connection with shipping goods to Canada from London, or Liverpool, or Bristol, there was some means or other by which that traffic was made to carry all that it would bear, and sometimes more. A trade or a manufacturing proposition depended largely upon its power to move its product to the point of consumption. If they imposed between the wheat and the consumer, and

between their textiles, cutlery or other products and the consumer in Canada, a rate of transportation which was prohibitive, they were shutting down the channels of life between the different parts of the Empire. He therefore asked them to give the question of transportation their most earnest consideration. Canadian manufacturers had frequently found that it had been possible to buy things from Germany to better advantage, not because they were better in quality, not because they were cheaper in price, but because the rate of freight was more advantageous. A country which boasted of its mercantile marine, which boasted that its flag flies on every sea, should not be a country which strangled trade between different parts of the empire. He believed that an easy and reasonable method of transportation was one of the important factors which would bind the empire together in all parts for all time.

**What Britons Think.**

Mr. Faithful Begg, in his remarks after the addresses of the Canadian Commission, said: "We had a wobbling government to begin with, and a strong undercurrent of copper-bottomed free trade, which was going to prevent in a large measure, and altogether, if possible, the realization of such a tariff as Mr. Woods had indicated. But so far as the London chamber of commerce was concerned, the position was thoroughly sound. They had an influential committee sitting for some time, and their recent report laid down the basis of a triple tariff which was to be most favorable inside the empire, less favorable between Britain and the allies, and what he hoped was a penal tariff as against Germany. He did not believe in the possibility of taking tariffs out of politics. The chance of debate and creating discussion were so great that he thought few of them would live to see it done."

**Ad Valorem Duty.**

Mr. H. L. Symonds drew attention to the question of packing. It was obvious that goods sent from the United Kingdom to Canada had to be more carefully and more expensively packed than goods going from the United States to Canada. There was a large duty on packages entering Canada, and he ventured to suggest that the Canadian tariff should be modified with a view to a fair and more equitable arrangement as between the United Kingdom and the United States. Another point raised by Mr. H. L. Symonds was that in spite of the preference to manufacturers of the United Kingdom, the trade statistics showed that while the average ad valorem duty on goods sent from the United Kingdom to Canada had risen during the past fifteen years from 24 to 25 per cent., that on United States goods had fallen from 25 to 24 per cent. That showed that the Americans had had the commonsense to pick out and concentrate their efforts upon those lines of trade with Canada which paid the lowest rates of duty. He hoped that the Canadian authorities would bear that point in mind when dealing with any revision of their tariff.

Mr. J. W. Woods, replying to the points raised in the discussion, said, with regard to the duty on packing, that there were certain lines of low-priced goods which must be fairly substantially packed, and it was found that the packing came to as much as 5 per cent. of the amount of the bill. The only way to overcome that was to charge the duty, but he would say that the Toronto board of trade had tried without success to get the government to waive that import duty. The increase in the average duty on British goods, compared with the decrease in the case of the United States, was explained by the fact that Canadian industry was growing very rapidly and they were using more raw materials, while the prosperity in Canada made a market for tropical fruits and vegetables from the south. The British preference was a flat one of 33½ on everything, and no matter what the figures showed, he had personal knowledge that the preference did help to admit British goods, while, at the same time, the surtax was shutting out the German.

**SHIPBUILDING ON PACIFIC COAST**

At the Wallace Shipyards, North Vancouver, work is going ahead on several wooden boats, while at the main yards of the company construction is proceeding on a steel steamer. At the newly-established yards of the Cameron Genoa Mills Shipbuilders, Limited, Victoria, the keel of the third auxiliary schooner was laid recently. These wooden boats are destined as lumber carriers. If satisfactory arrangements can be made with the city, the Vancouver Shipyards, an old-established firm on Coal Harbor, proposes to extend its plant and construct steel steamers.