

\$6,400, wines and vermouth \$5,000, lemons and oranges \$62,000, sundry small exports say \$25,000. Italy produces large quantities of raw silk, much of which is exported to the United States. With its immense increase in wealth and population the manufacture of silk goods might engage the attention of Canadians. There is a vast quantity—chiefly lower grades—manufactured in the United States. Of oranges and lemons Canada could probably import more largely from Italy, with good shipping facilities.

Olive oil is produced largely, and Italy is famous for its light wines—those of Tuscany especially. They are drunk largely by foreigners, and are both palatable and wholesome. They are little seen in Canada, but there should have been an opening for them, if they could stand the voyage. A good brand of Italian champagne is produced in the north of Italy. It is called "Conegliano," and is used in the King of Italy's household. It is much more to the taste of people generally than the sweet "Astes." It stands the voyage well and can be laid down in Canada duty and all expenses paid for about one-third of the price of French champagnes. It is really a good light wine and if well introduced should sell well in Canada.

Opening for Commission Merchants

Then there are the beautiful bronze and marble reproductions of ancient and modern statuary, for which Italy is famous—made in Rome—the coral and tortoise shell ornaments of Naples and the beautiful works of art so humorous and attractive at Florence; the wonderful glass ware, and delicate hand-made laces of Venice, besides jewellery of antique patterns and cheap kid gloves sold everywhere. Little of any of these is sold in Canada, where they would be popular with Canadians, whose taste is so refined and whose love for beautiful effects is so well known.

A firm or company with a suitable warehouse in a good part of Toronto or elsewhere where Italian goods were exhibited could do a large trade in them. They could, no doubt, be obtained from manufacturers on this side, if desired for sale on commission, if the proper bank guarantee were given. Branches of such an establishment in Montreal, Ottawa and Winnipeg would do equally well.

What British Tariff Commission Thinks

Now that trade agreements are so common, the memorandum published by the tariff commission in London regarding preference and the new Canadian tariff arrangements with France, Germany and the United States is unusually interesting. The Tariff Commission point out that:

"An analysis of the 15 groups of leading manufactures shows that in 13 out of the 15, where preference is fully operative, British trade which before preference was declining, has since preference shown a continuous increase greater than that of the United States. The United Kingdom excess over the United States in the Canadian market, which was 3½ millions in 1885, fell to 1¼ millions in 1895, and became 5¼ millions in 1907. In regard to the remaining two groups, iron and steel and machinery, United States trade has increased more rapidly than British trade, but some of these goods are on the Canadian free list, while others have low duties upon which the preference is necessarily small. Moreover, the advantages of contiguity and similar standardization and other industrial conditions operate most effectively upon these goods in favor of the United States."

The treaty which came into operation on March 1, 1910, between Canada and France, gave Canada minimum tariff rates on 152 tariff items. Canada in return gave France the intermediate tariff rates on ninety-eight Canadian tariff items, and special tariff rates, much below the intermediate scale and approaching the preferential rates, on twelve other items. These last include silk and woollen embroideries and lace, nettings, silk velvets and manufactures, and ribbons, in all of which British trade is largely interested.

Margin of Preference Reduced

An analysis of the trade in the principal branches affected leads to the following conclusions:

"Comparing the old and new tariff rates it is seen that the general effect of the convention has been to reduce the margin of preference hitherto enjoyed by British over French products in the Canadian market; and also over the products of Austria, Switzerland, Japan and those countries which are entitled to most-favored-nation treatment in Canada. In some cases the reduction of the preference advantage is considerable.

"In the silk, lace and embroidery items alone a British tariff advantage over all foreign countries ranging mainly from 10 to 12½ per cent. ad valorem has been reduced to a uniform difference of only 2½ per cent.

"Speaking generally, the margin of advantage on the other articles of importance to British trade has been reduced by 2½ per cent. ad valorem, though on gloves, jewellery and buttons the reduction amounts to 5 per cent. On woollen goods, dry medicinal preparations and skins there is no change."

As regards the agreement with Germany, the report says: "The suspension of the Canadian surtax on German goods

has greatly increased the potentiality of German competition in the Canadian market. Instead of being subject to duties one-third higher than the general tariff, German goods now enjoy the general duties; and as regards tableware Germany will, of course, enjoy the further concession of the intermediate rate, which is a consequence of the new agreement between Canada and the United States."

Concerning the United States agreement, it is stated that the result of the special negotiations was that Canada reduced the general tariff on thirteen tariff items in which the United States was largely interested, the principal ones affecting the United Kingdom being chinaware, glass, artificial flowers and lithographs.

It is formally announced, both in the German and United States official correspondence, that these settlements are only preliminary. The German settlement declares that the question of a general convention for the regulation of the commercial relations of the two countries is deferred for consideration at a time that may be found mutually convenient."

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