

question as distinct from the rest, this statement will not fairly apply. And the problem seems to squarely divide itself into the following propositions:

I. Co-operation for Commercial purposes.

II. Combination for mutual defence.

III. Consolidation of our political connection.

One of these divisions may be obtained without the other. Time may, and I believe will, bring about changes which would enable the Colonies to take part in imperial defence as a return for imperial protection and to share, as a consequence, in the government of the Empire: but at present this would not be practicable and depends in fact upon the all important question of the development of Colonial prosperity through a true imperial trade policy to such a degree as would enable us to take our due share in the responsibilities of the Empire. There is no use shirking this issue. Preferential duties can be obtained, and, as the *Times* said in its recent famous editorial, England will be willing to face a small fiscal loss (from a free trade standpoint), for a great political gain. But we must do our share, and, under such circumstances, could well afford to do so. If Great Britain places a small duty upon foreign products which compete with the Colonial or British articles in her market we must be prepared, for the sake of so great a boon, to not only lower our duties upon British goods in Canada and throughout all the states of the Empire; but to set aside a specified portion of our yearly revenues as a contribution to the naval defence of British interests. This is taxation for Imperial purposes, though not by Imperial authorities, and will demand representation in controlling its disposal and use. Consequently a standing Imperial council will have to be selected, presumably by the governments of the various states of the Empire, to direct the management of

the sums contributed and guide by their advice in a greater or less degree the foreign policy which might require the final arbitrament of war. This would be Imperial Federation.

And the quickest and best means of obtaining this desired end is through an appeal to the commercial instincts and interests of the greatest trading people on the face of the globe. As Lord Salisbury lately said: "The cause of Protection does not sink, it rises. The recent elections in the United States have shown that the slight reaction against Protection has spent its force." And now the Premier of Great Britain proposes to act upon the defensive. Whether he succeeds in the coming contest or not, the platform of the Conservative party of England is practically that of the United Empire Trade League, and the future is dimly foreshadowed in those words of Sir Michael Hicks-Beach at Bristol, on January 6th last, stating that the turn of events "might involve the consideration by the new House of Commons of the most important and grave economical problems." Precede this utterance by Lord Salisbury's deliberate statement that "Preferential duties within the Empire do not constitute Protection," follow it with his Hasting's speech together with the recent articles in the *Times* and elsewhere, and it is not difficult to see that the tide of public opinion is trending towards a commercial alliance with the States of the Empire. Opponents of the policy point to the huge bulk of Britain's trade and claim that the chief portion of it would be destroyed by the adoption of a preferential system and the application of a small duty by England upon foreign food products. But beneficial trade is largely a matter of the equitable division of profits amongst the masses of the people, and at present the large importers of London constitute about the only class which profits by the bulk of this