

Our Country.

Dear Canada ! fair Canada !
To thee our hopes belong,
To thee our hearts inviolate,
We pledge with wine and song.

Bright jewel in old England's crown,
Loved home of lake and wood,
Of mighty torrents, mountains, streams,
Of all things fair and good.

Still young in storied pages, we,
Are strong in Truth and Right,
Our sons are brave, our daughters fair,
God keep us in the light.

Our fathers fought and bled erewhile,
And we'll defend our own,
But peace be ours and calm content,
The joys of health and home.

From East to West four thousand miles,
United firm we stand,
Let self be lost in manly love
Of this, our native land.

Dear Canada, loved Canada,
Blest be our land to-day,
The maple leaf our emblem still,
God and our right for aye.

A. R.

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Customs Union, National Defence, and Imperial Federation.—I.

THE reception accorded to the scheme recently suggested by Mr. Chamberlain was at first enthusiastic ; but the views subsequently expressed by leading men and journals in the larger Colonies declare the scheme to be impracticable.

The Colonies have an aversion to direct taxation ; and the adoption of Free Trade with Great Britain would mean an immediate loss of more than half their revenue.

Another difficulty which must attend any scheme of Customs Union throughout the Empire is the absence of any means whereby the scheme could be modified from time to time, if it were found to work oppressively in the case of any particular Colony. That such cases would arise is quite certain, and it would be impossible to convene a Colonial Conference on every occasion.

It may be that in attempting to produce schemes, whether of Customs Union or of Imperial Federation for the whole Empire at once, we have made the mistake of running when we ought to have walked.

The distance to be covered was too great, and we broke down before we had covered a quarter of the ground.

Would it not be wiser to try a less ambitious method ? Suppose now that, so far as a Customs Union is concerned, we commence with the Colonies alone, and suppose that instead of attempting a detailed scheme of Imperial Federation we provide a substantial nucleus of it, capable of indefinite expansion.

If we could thereby construct a solid foundation (highly beneficial, as I hope to show, to Great Britain also) the superstructure would doubtless be completed in due time.

But while the extension of trade within the Empire, and a closer union between the Colonies and the Mother Country are desirable objects, the safety of the Empire is at least as desirable.

As a practical workable scheme I would venture to suggest the following, and to show my reasons for so regarding them.

OUTLINE OF SCHEME.

(1) Introduce Free Trade generally between the Colonies, leaving them at liberty (so far as their respective forms of Government permit) to adopt such tariffs as they wish against Great Britain and foreign countries.

(2) Institute an Imperial Defence fund based upon the maritime trade of the Colonies, payable by them to Great Britain.

(3) Establish a permanent Board of British and Colonial representatives for the purpose of enquiring into, discussing and reporting upon schemes for the advancement of trade, commerce, and national defence.

Firstly, then, as to Customs Union :

There is probably no subject upon which such a diversity of opinion is held by countries, and by individuals within the same country as the subject of tariffs. And the reason for this diversity is plain enough for each country has special needs of its own, arising from its environment, as regards climate, population, etc., which do not exist, at least to the same extent, or in the same way, in any other country. Similarly in the case of individuals men usually form their opinions on the question according to the manner in which it affects their own private interests. The problem involves not merely the relative advantages of Free Trade and Protection, but of every variety existing between the limits of absolute Free Trade and extreme Protection.

It is too much to expect that any scheme of Customs Union can be formulated which will (irrespective of the question of National Defence) certainly benefit every portion of the Empire.

So far, then, as mere Customs Union is concerned, we ought to be well satisfied if we can make a distinct step forward towards the removal of those tariff barriers which hamper the intercourse of each portion of the Empire with the rest.

Let us glance at the position of the Empire in this regard.

Fifty years ago Great Britain adopted Free Trade, and experience seems to have demonstrated the wisdom of her choice. Moreover Great Britain has, by Treaties with Germany and Belgium, disabled herself so far as those countries are concerned, from entering into any preferential Customs Union even with her own Colonies.

But while Great Britain thus approves and maintains the principles of Free Trade for her own purposes and within her own limits, she admits, without objection, the right of her Colonies to frame protective tariffs, and otherwise to manage their own affairs as they think best.

If several Colonies find it to their interest to unite in a single Confederation, such as was effected by the confederation of the Provinces of Canada, and thereby abolish tariff duties *inter se*, the Mother Country not only consents to such an arrangement, but warmly approves and ratifies it. It may, therefore, be inferred that free inter-colonial trade is entirely unobjectionable to the Mother Country. But if this be true of one group of Colonies, occupying a very large surface of the Empire and having large trade relations with Great Britain and with foreign countries as Canada has, a mode of union seems at least possible whereby the Free Trade principles of Great Britain could not only be maintained but vastly extended, and yet whereby each Colony or group of Colonies, should remain at liberty to raise their revenues by indirect taxation, collected under tariffs, as heretofore.

The great practical difficulty of obtaining the assent of the numerous Legislatures of the Empire to any proposition confronts us at the outset.

Sir Rawson W. Rawson, in the introduction to his "Synopsis of the Tariffs and Trade of the British Empire," says : "The tariffs of the United Kingdom and of the several British possessions, framed upon such different principles, and aiming at such a variety of economical and financial results, present a very chaos to the enquirer, and appear to be beyond the possibility of juxtaposition and comparison." Some of the reasons for this we have already seen, and we have had more than one assurance of the British Government within the last year that so far as Great Britain is concerned no alteration can be made in her present Free Trade principles.

Let us now enquire in what position the parties would be under the proposed Customs Union. At first let us consider the position of the Colonies.

Ten years ago the intercolonial trade of the Empire amounted (according to Rawson, Table VIII) to about £95,000,000 per annum. It has, no doubt, largely increased since then, and is subject to Customs duties varying from five to fifty per cent.

The removal of customs duties from such a vast aggregate could not fail to cause great activity in trade and probably a rise in the values of Colonial stocks and securities.

But it will of course be objected by Colonial statesmen, how are we to raise the revenue which is at present collected from this trade ?

The objection is plausible, but admits of being satisfactorily answered.

One must always bear in mind that the revenue collect-