

animals, meats, fish, lumber and mine products. In the advantages of the preference upon grain and flour the Maritime Provinces, Quebec and British Columbia would not participate, and Ontario would be benefited to a limited extent only. In return for this preference we are given plainly to understand by Mr. Chamberlain that Britain would expect something very substantial, in addition to the preference already given by Canada. Let us see what our present preference is worth to Great Britain, and what her proposed preference would be worth to us. The duty collected upon British imports last year was \$9,841,000. Had there been no rebate of 33½ per cent. from the full rate of duty collected from other nations, and if Britain enjoyed the rebate of 33½ per cent. upon all her dutiable imports, she would have paid to our Customs Department last year an additional \$4,921,000.

The direct advantage derived from our preference is this large saving of duty, which otherwise would have been paid, was the rescuing of the British export trade to Canada from practical extinction. In 1902 our export of wheat to Great Britain was 33,102,000 bushels; of all other grain except corn, 8,782,000; of flour, 645,000 barrels; of rye flour and oatmeal, 90,842 barrels. It will be assumed that the preference applies to this entire list, though it is doubtful whether it is intended to apply to coarse grain, and the preference in this case of two shillings sterling per quarter would amount to \$2,726,000, while if upon wheat and flour only it would amount to \$2,146,000. Our export of eggs, cheese and butter to Great Britain in 1902 amounted to \$26,959,000. A preference of 5 per cent. upon this would be \$1,348,000, which, added to a preference of two shillings per quarter upon all our exports of grain except maize, would make a total of \$4,074,000, or \$838,000 less than the advantage given to Great Britain through our remission of duties upon her exports to this country. It may be urged in this connection that our exports of grain to Great Britain would be stimulated by the preference, but there is no reason why our imports from Great Britain should not be stimulated in an equal degree by our preference of 33 1-3 per cent.

WESTERN WANTS.

On the return of the excursion of members of the Canadian Manufacturers' Association from the western parts of Canada, Mr. Drummond, the president, speaking of what he saw, said to a reporter:

The one condition of affairs which we could not view with satisfaction was the large volume of United States goods which are flooding our Western markets under our present tariff, and the large proportion of United States coinage everywhere in use throughout the West. In both of these features we are convinced that Canada is suffering a distinct loss, and that the existing conditions should be remedied at the earliest possible moment. It was very gratifying to learn from practical men throughout the West that Canadian goods were right in quality, and in many cases superior to those of foreign manufacture. Splendid results are already apparent from the tour. New branch offices have been opened by many of our members at different centres in the West, and arrangements made in many other cases for permanent representation. We believe, too, that many Western centres offer splendid advantages for manufacturing. We are returning home with the determination to impress upon every Canadian in the East the greatness of our Western country, and to exert our untiring efforts to meet the requirements of the Western markets. As Canadians, we are delighted with the prospect that we will be able to accomplish this. Prominent representative men everywhere assured us of the growing Canadian sentiment and the desire to encourage home production rather than to continue foreign importation.

The East and West are one. They are not divided by a

diversity of interests. We have had abundant evidence on all sides that when national questions are discussed the East and West will stand together for that policy which will build up Canada and develop her great resources for her own sons.

Mr. Edward Gurney, one of the oldest and most successful manufacturers in Canada, and an ex-president of the Association, speaking of the establishment of manufactories in the West, said: "The capital of Canada is now fully employed, and there is no more than enough necessary for the increase of plant and buildings incident to the great demand for materials throughout the country, and it is not likely that there will be any branching out of manufactories into the West until there is an accumulation of surplus capital both in the East and the West seeking employment."

The great inflow of population into the West is of an agricultural character principally; and while Canadian manufacturers of agricultural and farm machinery have never been able to meet the demands of the country, and now that the demand has been so greatly increased, and while the domestic supply has not been increased, the situation shows that the demand must either be supplied by imports or go unsatisfied. Of course the demand is met by imports, and it was this that Mr. Drummond alluded to as a condition which he could not view with satisfaction. Mr. Drummond attributes the fact that the large volumes of United States goods which are flooding our Western markets is due to insufficient tariff protection, and this may be true to a certain extent, but Mr. Gurney strikes the key note, and explains the situation when he says that Canadian capital is now fully employed, and that there is no more than enough of it to provide for the increase of plants already in existence; and that there will not be any further increase of manufacturing facilities unless there be an accession of capital from other countries. Within the last few years there has been a considerable accession of such capital invested in Canadian manufacturing industries, chiefly from the United States, and very little if any from Great Britain; but it is true that millions of dollars worth of agricultural and farm machinery, and many other kinds of merchandise are imported into Canada every year to supply the wants of the country that cannot be supplied from domestic sources.

Of these imports of articles of prime necessity, more than three fourths are from the United States and only about one eighth from Great Britain, although only two thirds the duty imposed by the general tariff is levied upon British products. American manufacturers cater to the wants of Canadian consumers which British manufacturers do not do; and it is certain that were many lines of goods, particularly manufactures of steel and iron, placed in the free list, our imports of them from Great Britain would continue to be of infinitesimal value. The British preference has utterly failed to increase our imports of them, and British manufacturers have very quietly surrendered the Canadian market to their American competitors. Are the Canadian people to be deprived of the goods? British manufacturers will not supply them: Mr. Gurney says that Canadian manufacturers have not the facilities for doing so because of lack of capital; British capitalists do not invest their wealth in Canadian manufacturing industries; Mr. Drummond is not pleased because large volumes of American goods flood out Western country, and many members of the Manufacturers' Association advise that the tariff wall against the United States be made considerably higher. "Made in Canada" is a most excellent sentiment, which it is well to cultivate, but it will not warm the back nor fill the belly when Canadian goods are not to be had.