

drive commercial bargains with both her neighbors, Canada and the United States. This is really the key to the whole situation. She finds her half-way position very convenient, for her vast resources of sea and forest are in double demand, while her trade is invited on competitive terms. Thus she has just passed a measure granting to an American syndicate a practical monopoly for twenty years of the fish and cold-storage business, and the invaluable bait supply; and monopoly though it is, it will be of benefit to the island, because the industry will be developed as it never was before. But it reduces by so much the present chances for closer relations with Canada.

There is a hint for Canada in the figures of Newfoundland's import trade. The island's importations from the United States are annually increasing, while those from Canada are decreasing. One reason for this is that the United States buys more in return than Canada does, and another reason is that the Americans have a trade agent on the ground who is constantly directing attention to the American market, while Canadian interests are unrepresented. These things all go to show that if Canada wishes to round off an advantageous confederation she must pay her attentions more energetically.

### The Demand For Reciprocity

[T is plain to those who are in touch with the situation in Canada, that a reciprocity treaty, a trade treaty, or other reciprocal legislation upon trade relations is no longer desired by Canada. This country

is now attracting the people, the wealth, and the enterprise required in its development. Markets for surplus products have been established; imports are readily obtained at closely competitive prices; and the policy of building up our manufactures by conservative tariff regulation is proving to be the most effective aid to progress that can be given.

In the opinion of a Canadian senator: "If the United States desire better trade relations with Canada, or even a continuation of the advantages they enjoy in our market at present, a substantial reduction in their tariff in favor of Canadian products is the only course that would be regarded by Canada as a favorable indication on their part of a desire to treat Canada fairly on the lines of trade intercourse."

It is evident that the United States are beginning to realize the true state of public opinion over here. A New York commercial journal recently expressed itself as follows: "We have driven Canada to a policy of independence, and we are gaily helping her along with our people, our wealth, and our enterprise. We have only to continue this policy a little longer and we will be forced to the realization that we have deliberately thrown away our best market for manufactures, and our third best market for all our exports. To preserve this market we have no need for a reciprocity treaty, or a trade treaty, or concurrent legislation upon trade relations; we have only to throw open wide our markets to the natural products of Canada, and our inter-trade will become so great that reprisals upon our manufacturers would have little or no advocacy."

