In 1895 the amount of silver produced in Canada was 1,578,275 ounces.

Trade within the Empire then is worth cultivating. Great Britain may well give serious consideration to the problem of commerce on the North American continent. If there is not created a substantial check, the trade between two countries on the North American continent will grow enormously to the detriment of Empire trade.

MANUFACTURERS OPPOSE TARIFF CHANGES.

They Look With Anxiety at the Growing American Exports of Manufactures.

A deputation of manufacturers representing interests from coast to coast, have presented a strong petition to the Dominion Government against the proposed tariff agreement with the United States. The manufacturers represent approximately $1,200,000,000 of invested capital, $1,000,000,000 of annual output, furnishing direct employment to 435,000 artisans and work people, and distributing annually $250,000,000 in wages. The manufacturers are convinced that any reduction in tariff would prove injurious to the industries directly affected, and indirectly detrimental to the interests of Canada and consequently to the Empire as a whole.

Canadian transportation lines, they say, run East and West. The Canadian people have made and are still making great sacrifices to build them, in order to encourage trade between the provinces and with the United Kingdom. This immense investment should not be jeopardized by a Reciprocity Treaty which would divert traffic southward, benefiting United States' transportation lines at the expense of Canadian railways and steamships. No extended treaty of trade should be entered into with the United States unless we are prepared to abandon the National Transcontinental with all the millions already spent upon it, and unless we are ready to relinquish the idea of deepening the Welland Canal, of constructing the Georgian Bay Canal, of building the Hudson Bay Railway, and of erecting terminal elevators adequate to our needs at Montreal and Vancouver.

United States Exports of Manufactures.

An examination of the trade statistics of the United States throws an interesting side light upon that country's present overtures for reciprocity with us. For the nine months ended September, 1910, their exports of domestic merchandise of every kind were $1,193,321,512, of which $210,490,966 were manufactures for further use in manufacturing, and $401,684,694 were manufactures ready for consumption. The sum of these two, $612,625,660, accounts for 51 per cent. of all of their exports put together. But this is not crediting the exports of manufactures with a class known as "foodstuffs, partly manufactured," which are valued at $180,159,193. If we regard this also as legitimately forming part of the exports of manufactured goods, it means that of everything the United States exported for the nine months ending September last manufactured goods amounted to over 66 per cent.

Want Still Wider Market.

Applying the average for the first nine months to the last three, the figures for which were not available when this statement was prepared, it indicates that the exports for the year of manufactures ready for consumption and manufactures for further use in manufacturing will pass the $800,000,000 mark. This is an enormous amount for which to have to find an outlet, and there can be little doubt that underlying the present agitation in the United States for reciprocity with Canada, is an earnest desire to open wider the markets of this country for exploitation by their manufacturers.

At the same time it enables us to catch a glimpse of what the future may hold in store for us if we continue to work out our own industrial destiny along independent lines.

Of the Balance of Trade.

For the fiscal year ending 31st March, 1910, our purchases from the United States were $223,501,809, their purchases from us $113,150,778. For the past decade the returns in round figures show imports from the United States of $1,600,000,000, exports to the United States of $800,000,000. In other words seven million Canadians purchased twice as much from the United States as ninety million people in the United States purchased from Canada.

As the result of some investigations conducted by The Monetary Times and subsequently verified and added to by officers of the Canadian Manufacturers' Association, it is known that at the present time at least 200 United States manufacturing companies are operating branch factories in Canada, representing an aggregate investment of $226,000,000. For this influx of capital, with all the benefits accruing to the Dominion therefrom, we must thank a tariff which made it worth while for those who hoped to sell us goods to come to this side of the line to manufacture. Had that tariff not been a protective one, those United States manufacturers would probably have enlarged their home factories to take care of Canadian business instead of building on this side, in which case we would now be using goods made from United States material with United States labor, instead of goods made from Canadian material with Canadian labor.

FIRST VOTE IS FAVORABLE.

The House of Representatives at Washington, on Tuesday, passed by two to one the McCall bill giving effect to the recent reciprocity arrangement between the two countries. The matter will now rest with the Senate, where its path will be a more difficult one, and where a different principle in rules can prevent its passage before March 4th, if the opposition is sufficiently numerous and determined.

An analysis of the final vote on the passage of the bill by 221 to 92 showed that 143 Democrats and 78 Republicans comprised the yeas, and 87 Republicans and 5 Democrats opposed it, a total vote of 313 out of a membership of 391. The opposition came from the agricultural districts, especially in the border States.

The vote of the "insurgent" Republicans was, for the most part, divided, though those from Iowa and Nebraska were generally against the bill.

OTHER COUNTRIES MAY SEEK ADVANTAGES.

Washington Views of the Favored Nation Clause—How the Agreement Will Work.

In case the reciprocity agreement with Canada is ratified, the United States will probably be the recipient of demands from other nations that they be given the advantage of the reduced rates carried by the agreement. Such a demand is expected from Germany and probably also from several other countries. The attitude of England is not known, but it is assumed that she will demand the same, particularly as Canada has promised extension of the rates to Great Britain so far as her territory is concerned.

No formal action has, of course, been taken, but the representatives of several nations are known to be studying the text of the document with extreme care. The country from which the greatest future trouble is now anticipated is Germany. The facts in the case are known to State Department authorities and are viewed by them with no little apprehension. It seems to be true that this aspect of the case was not considered at the State Department while the negotiations were in progress.

Opinion of Senator Root.

Discussions of this phase of the question have occurred at the Capitol and Senator Root, who was formerly Secretary of State, has been appealed to by several who are very desirous of knowing Mr. Root's view of the situation, he being thoroughly familiar with the attitude assumed by the State Department in former years. Mr. Root has said that he does not think the foreign countries with which we have most favored nation agreements, can carry any such point. This view appears to be based on the fact that when the United States were negotiating the arrangements under the maximum clause of the Payne-Aldrich law their position was based largely or wholly upon the fact of the maximum rates and they asked nothing by reason of the existence of most favored nation arrangements.

This view is not accepted by many others, for it is the opinion of most that Germany would be warranted in regarding the Canadian treaty as the establishment of a new set of minimum rates by the United States. This might not warrant Germany in applying her maximum rates to the United States, but it is the opinion of some of those who have looked into the question most carefully that the situation would fully warrant Germany in making new commercial agreements with other countries to whose advantages the United States could not claim admission because they had reserved the right of making a similar agreement of their own.

Effect on Congressional Action.

It is not yet clear how far this factor will influence the attitude of Senators toward the Canadian agreement. There is no indication that it will figure in the House at all. It is believed in diplomatic circles at Washington that in view of the claims made under the maximum clause of the Payne-Aldrich law during the past twelve months, the Canadian