

The full and careful revision of our present Custom's tariff, which we have consistently pressed for during the past two years, and which we are convinced is so vitally necessary in the best interests of this country, has not yet been undertaken by the Dominion Government. We cannot but deplore the delay, because it has meant in the interim, and it means to-day, a very serious and continued loss to the industries, and we believe to the general interests of Canada. We recognize that signs are not wanting to show that the Government realize that we are right in our contentions, this being indicated by the highly commendable action of the Government in respect to steel rails, and by other very necessary changes recently made, and which are in the right direction. In so far as these changes are helpful to the particular Canadian industries dealt with they must have the cordial recognition and approval of this association, but nevertheless we stand for a full revision of the tariff as being absolutely necessary to the welfare of all the industries and interests of this country.

With regard to the question of preferential trade between the United Kingdom and her colonies, we have placed ourselves unreservedly on record as favorable to a tariff arrangement that, while encouraging the development of industries in Canada will nevertheless give a substantial preference to the Mother Country, and also to any other part of the British Empire with which reciprocal preferential trade can be arranged. A preferential arrangement giving Canadians an advantage in the markets of Great Britain will be immensely to the interest of our agriculturists; moreover, it will be to the advantage of our national and Imperial interests in that it will make the Dominion of Canada more attractive and important than ever.

The report of the tariff committee opened by expressing regret that another year had passed without bringing a general revision of the tariff. It declares that the need for such revision grows more and more acute. Our importations have increased by leaps and bounds and for the past year are nearly \$40,000,000 in excess of our exports.

Foreign competition, now national as well as individual, is keener than ever before. Canadian manufacturers continue to suffer, particularly from the unfair and overwhelming competition of those gigantic aggregations of capital which control the specialized industries of the United States. This competition has become so dangerously unfair that the Parliament of Canada at its last session was obliged to enact special legislation to preserve one branch of Canadian industry. From a business standpoint all these changes demand a general revision. Its necessity has now been clearly recognized by the Dominion Government in the regulations passed at the last session to prevent the "dumping" of foreign goods in Canada, and by the announcement that a Tariff Commission would be appointed. Any further delay in carrying out the revision means a continued and serious loss to the Dominion.

The position of this association on tariff matters having been misunderstood and misrepresented, your committee deemed it wise to issue a short statement setting forth the views of the organization. This was forwarded to the Government, as follows:—The Canadian Manufacturers' Association is absolutely non-political. It has declared itself during the past two years in favor of an early and thorough revision of the Canadian tariff.

The association does not advocate the adoption of the United States tariff. Some lines of manufacture in Canada may require as much protection as the same lines receive in the United States; many may require less. What we believe to be necessary is a tariff framed from a national standpoint, primarily for Canadian interests, and also to build up an increased trade with other parts of the British Empire. Above all, however, it must enable

Canadian products to meet the competition of foreign labor on fair and equitable terms.

Continuing, the report expresses the view that insufficient protection has been granted to the woolen and twine interests, and does not approve of the departure made by Government of increasing the protection by lessening the preference. It was also urged that dumping could only be prevented by increasing the duties. The report adds:

The association still has the earnest conviction that the changed conditions, which now obtain in Canada, demand the immediate and thorough revision of the tariff upon lines which will more effectually transfer to the workshops of our Dominion the manufacture of many of the goods which we now import from other countries.

The report continues:

Your committee cannot but report with satisfaction the continued growth of a national protectionist sentiment in Canada, as evidenced by both the general public and the Dominion Government. While a general revision has not yet taken place, the active and constant work of this association may be said to have produced splendid results. Business men in every branch of trade and of all shades of politics are to-day recognizing the fact that for the welfare of the Dominion the tariff should be a national rather than a party question, and that industries, as national assets, should be defended from foreign invasion.

The committee recommends:

That we pledge our continued support to the tariff resolution passed at the annual meeting held in Halifax in 1902, urging an immediate and thorough revision of the Canadian tariff, from a national business standpoint.

That we reaffirm the resolution passed at the annual meeting, held in Toronto last year, recommending the appointment of a tariff commission of experts, as follows:

That we recommend the establishment in Canada by the Dominion Government of a permanent tariff commission of experts, who shall have constant supervision of tariff policy and changes, and shall follow closely the workings of the Canadian tariff, with a view to making such recommendations to the Government as will best conserve and advance the interests of the Dominion.

That we stand opposed to any arrangement for reciprocal trade with the United States affecting the manufacturing industries of Canada.

That we again express our disapproval of the bounty system as a substitute for the policy of protection.

That in the coming general elections we pledge our individual support to those candidates, irrespective of party, who announce themselves publicly in favor of an immediate general tariff revision upon lines which will more effectually transfer to the workshops of our Dominion the manufacture of many of the goods which we now import from other countries.

The report of the committee aroused considerable discussion. The last clause was to the effect that the Association should pledge its members to support candidates in favor of a higher tariff but the opposition was so great that it was decided to change the wording to read, "the Association recommends its members to support members in favor of a higher tariff," and with this change, the resolutions were approved.

Respecting the woolen industry, the following resolution was adopted:

"Whereas the slight increase made at the last session of the Dominion Parliament in the net tariff on certain lines of woolen goods is altogether insufficient to redeem the Canadian woolen industry from the serious condition into which it has lapsed, many of the mills being in a more hopeless and unsatisfactory condition than ever before: And whereas the general conditions of the industry have not improved since the increase has been effected. The competitors of the Canadian mills are reducing prices, which more than counterbalance the