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FREDERIC NICHOLLS,  
Managing Director.

J. J. CASSIDY,  
Editor.

J. C. GARDNER,  
Business Representative.

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PREFERENTIAL TRADE.

WHILE it is greatly to be desired that preferential trade should be established between Canada and the Mother Country we should not be over sanguine that that event lies in the near future. We know that a sentiment adverse to that of free trade has crystalized in Great Britain into what might be called a political party, but we should not ignore the fact that the adherents to it are comparatively few in numbers, and that there is a long road, toilsome marching and fierce fighting to be encountered before any change can be hoped for in the fiscal policy of that country. No doubt the McKinley tariff in the United States and the newly inaugurated tariffs of other countries, together with Mr. Blaine's new system of reciprocity with the States of South America, are telling heavily against British mercantile and manufacturing interests, but these interests are not yet in a condition of collapse, and it may be a long, long time before Britain will abandon her present system. We believe that that change will come—that it is inevitable—but the progress of it will be marked by demands for concessions from the colonies which we are not now prepared to recommend to Canada. We are convinced that Canada's best interests do not lie along lines which lead in the direction of free trade with any country, and that for many years to come it will not be to our advantage to abate in any degree the policy of protection which we have adopted. We cannot imagine any terms which Britain might be willing to adopt in consideration of Canada discriminating in her favor to the

extent of twenty or even ten per cent in tariff charges, which would really be to our interest, and the only practicable scheme for us would be to retain our present tariff substantially as it now is, against Britain, and increase it against the rest of the world. In other words, it would never do for Canada to sacrifice her manufacturing industries even for preferential trade with Great Britain. We do not hear the advocates of Imperial Federation suggesting increasing our tariff duties against all the rest of the world as an inducement to Britain to grant us preferential trade, the idea being rather that Canada should either greatly reduce her duties, or abandon them entirely as her concession to bring about this change of British policy. As far as Canadian manufacturers are concerned, if they are to be slaughtered and destroyed, it would matter but little to them whether the destruction was in the interests of British or of American manufacturers. But any material reduction in our tariff in favor of Great Britain would produce this very result. With some few exceptions our imports from Great Britain are of classes of goods which are manufactured largely in Canada. The domestic goods are equal in all respects to the imported, and they are quite as cheap in price, the N. P. giving the home market to the home producer, the imports being generally of finer and more expensive goods intended for the use of the wealthy. A reduction of duties, therefore, would destroy our manufacturing industries and force us to become the producers of raw materials for British manufacturers, and this is a condition which Canadian manufacturers will resist to the last. On the other hand, a great need of Canadian manufacturers is an increase of duty upon such manufactured articles as are imported from the United States. An increase of these duties would stimulate their production in Canada, a thing to be most devoutly wished for, and it would transfer a very large portion of our import trade from the United States to Great Britain, a thing which our Imperial Federation friends tell us they wish for most devoutly. Therefore, if Imperial Federation or preferential trade is to be desired, it can only be accomplished by increasing our tariff duties against the rest of the world, not by decreasing them in favor of Great Britain.

THE PRICE IS TOO HIGH

ONE of the most ardent advocates of closer trade relations between Canada and Great Britain is Mr. G. F. Frankland, of Toronto, who frequently expresses his views in the public press. In a recent letter in the *Empire*, Mr. Frankland shows that the day is not far distant when Britain will become convinced that she can live and prosper by free trade and closer trade relations with her colonies, and that Australia with her abundance of mutton and wool, India and Manitoba with their wheat, and Ontario with its cattle have the capacity to forever supply the wants of the mother country for these necessities. He alludes to the selfish conduct of the United States in creating the McKinley tariff, showing that Britain is the best customer of that country for their beef, bacon, cheese and numerous other things, and that as a return they are endeavoring to the best of their ability, by their "damnable" McKinley bill to prevent the British people from wage earning, that they may live by their labor. "Canada," Mr Frankland says, "should be able to take a leading part in smashing this