

a one-sided preference may not be of mutual advantage; and, secondly, in believing, or at least asserting, that to be of mutual advantage preferences must be identical in character. For example, to my right honourable friend the leader of the government, to have preferences which are mutually beneficial to Canada and Britain there must be, notwithstanding all <sup>existing</sup> ~~the~~ differences ~~there are~~ in the economic and political developments of these two parts of the Empire, an identical fiscal structure. There must be tariffs for tariffs. Where there are no tariffs to-day, there must be tariffs erected tomorrow, and where preferences are to exist there must be preferences of like kind in the tariff wall thus constructed, with a complete indifference to what the effect ~~of~~ the newly constructed tariffs may have, in directions other than that which has an immediate bearing upon the particular preference created.

Preferences may be of different kinds:

- (1) Natural
- (2) Administrative
- (3) Tariff

My right honourable friend, moreover, completely ignores the fact that there are possibilities of preference which are reciprocal in character apart altogether from preferences confined to tariff schedules. He forgets that