

would be calculated to impede the general improvement in training and organisation of their defence forces, and, consequently, their ability to render effective help if it should be required."*

THE TRADESMAN'S ENTRANCE.

So much for Mr. Chamberlain's projects of political and defensive federation. But, important as were these proposals, and disappointed as he must have been at their reception, his chief hope lay in commercial federation. Baffled in his approach through the front door of politics, he sought the tradesman's entrance.

"Our first object is free trade within the Empire." By this was meant not any system of mere preferences, in which the British manufacturer should always stand at a disadvantage with the Colonial manufacturer, but equal treatment for British goods with Colonial goods. Mr. Chamberlain was quite aware that exigencies of revenue forbade the Colonies from adopting towards our goods so liberal a policy as we adopt towards theirs. "But in my mind, whenever Customs duties are balanced by Excise duties, or whenever they are levied on articles which are not produced at home, the enforcement of such duties is no derogation whatever from the principles of Free Trade, as I understand it."†

Aware that the Colonies would not commit themselves immediately to such a proposal, Mr. Chamberlain hoped for a substantial agreement upon the project of a scheme of Colonial and British preferences introduced in a resolution of Mr. Seddon to the effect: "That it is essential to the well-being of the Mother Country and his Majesty's dominions beyond the seas that, in such dominions where the same do not now exist, preferential tariffs, by way of rebate on duties of British manufactured goods carried in British-owned ships, should be granted, and that in the Mother Country rebate of duty on Colonial products now taxable should be conceded." Even on this matter no

* Cd. 1299, page 32.

† Cd. 1299, page 6.