

which has been received with general approval. Mr. Chamberlain takes the pains to explain that he is still a thorough free-trader and does not wish a protectionist policy, for which the people of England are not yet ready. But he claims that that interpretation of free trade is too narrow which will not permit of cultivating colonial devotion and friendliness by a business preference over foreign nations. Canada has taken the initiative by giving a preference to British goods of $33\frac{1}{3}$ per cent., and is ready to still further increase that preference if England will show some inclination to reciprocate; but will probably cancel the preference if such appreciation is not given. She has, moreover, imposed a surtax on German goods in the patriotic interests of Canada-British trade.

Mr. Chamberlain recognizes in Canada the greatest and most prosperous colony of the Empire, but a country, like all the British colonies, independent and self-governing. She has recognized her obligations to the Mother Country in many ways, of which the trade preference is one of the most important, and it is England's wisest policy to meet these advances in a like spirit. Mr. Chamberlain believes in an empire "which, although it should be its first duty to cultivate friendship with all the nations of the world, should yet, even if alone, be self-sustaining and self-sufficient, able to maintain itself against the competition of all its rivals." To this end the commercial goodwill of such colonies as Canada is absolutely essential, and while committed to a free trade policy, England should be free to negotiate, and, if necessary, to retaliate, whenever her own interests or her relations with the colonies required it.

With these views most Canadians will be in hearty accord. The present situation demands some such remedy as that proposed by Mr. Chamberlain, who, while he admits that the time is not yet quite ripe for action, has started public opinion in the right direction. Ties of blood, and race, and sentiment are strong, but commerce is at the root of modern statescraft, and Canada's Imperialism can only be lastingly strengthened by better trade relations.

The Transportation Commission

THE decision of the Dominion Government to appoint a transportation commission was referred to in the May NATIONAL MONTHLY. The members of the commission have since been chosen, and will at once begin their investigations. At the head, as chairman and convener, is Sir William Van Horne, and associated with him are Mr. John Bertram, of Toronto, and Mr. E. C. Fry, of Quebec. The questions which this commission will have to consider are concerned mainly with the transportation of western produce from the place of production to the markets of the world. The great problem is how to reach the Atlantic seaboard in the shortest time, and connected with this are a multitude of such considerations as the most practicable routes, the navigation of the St. Lawrence, harbor facilities, storage requirements, etc. Into all these matters the commission will carefully inquire, and Canadian business men will look for a practical and definite report.

There can be no doubt about Sir William Van Horne's fitness to lead this important commission. He has been a railroad man since he was fourteen years of age, and the success of the Canadian Pacific Railway has been largely due to his energy and ability. His mastery of details in early life prepared him for the position which he now holds as Railroad King of Canada, and his wide acquaintance with the transportation business of the Dominion gives him a peculiar equipment for the work which the Government has asked him to undertake. The prompt appointment of such a commission, with so capable a personnel, is the most practical step yet taken in this now pressing problem.

Improving the Tax System

IMPORTANT changes are proposed in the Ontario assessment system. For years the taxation of property-owners and wage-earners, and the collection of taxes in the more complicated cases, have presented difficulties that have caused public officials to strongly desire some measure of tax reform, whereby a more adequate means of municipal assessment might be provided. The