

Commercial Union With the Colonies.

At the special autumn meeting of the Convocation of the Chambers of Commerce of the United Kingdom, held lately at Newport, the question of commercial union with the colonies was discussed as follows:

Mr. Charles J. Wilson (South of Scotland) moved: "That a commercial union between the colonies and the mother country would tend to promote the permanence and prosperity of the British Empire. This Association would therefore urge her Majesty's Government to take every possible opportunity of furthering this object, and as a means to this end to have the conditions of our foreign treaties altered as soon as possible, which prevent our colonies from giving the goods of the mother country special privileges when they desire to do so."

That a closer commercial connection between the colonies and the mother country would be advantageous appeared to him to go without saying. The time had long gone by when we should contemplate with equanimity the independence of any of our colonies which involved separation from the empire. The president, in the very excellent speech which he made last year on this subject, and which must still be present to the minds of all those who were privileged to hear him, said, "We are surrounded by hostile tariffs, our goods are excluded from many markets, and one effect of strengthening our position by commercial union would be to lessen the disadvantages under which we labor." Every one who in his individual experience had to find a sale for his productions in foreign markets where there were high tariffs would hail with delight anything which would lessen the disadvantages under which they laboured. When Great Britain, in the fulness of her heart, gave her larger colonies the right of self-government, he did not think anyone would have said she did wrong if she had made it a stipulation that there should be free trade all round between the colonies and the Mother Country, but that opportunity having been missed we must now try what could be done by arrangement. Since they last met, there had been a second Congress of Chambers of Commerce of the Empire, and commercial union with the colonies might be said to have been the principal question which came under discussion at that meeting. He thought he might say that the almost universal feeling of that meeting was, that we should as far as possible have free trade within the empire. It was pointed out in the discussion that America was the greatest free trade nation in the world, because it was an article of their constitution that there must be free trade between all states of the union, and that there should be no barrier to the free interchange of commodities within their great Commonwealth. Mr. Goschen, in commenting upon this statement, was reported to have said, "If our colonies were prepared for a customs union in that sense—that there should be free trade with no barrier of customs to keep out English goods from the colonies or colonial produce from this country—then I should say the colonies mean business, and let us see how far we can reconstruct any portion of our fiscal system to meet those views." It was answered by some of the delegates from the colonies that revenue could not be raised without customs duties, that their sparsely peopled country could not be attacked by the revenue officers in the same way that was quite possible and quite convenient in England. Mr. Nevile Lubbock, in replying to that proposition, said that there was nothing in the free trade basis which would prevent any of the colonies levying any customs duties they pleased, provided they also imposed an equivalent excise duty upon the same commodity produced by themselves, and in that way "preserving the equality of conditions." It appeared to him that this was a basis on which they all could unite. A very important part in the discussion at the Congress was taken by delegates from Canada, who practically told them that the present state of matters could

not go on, and their proposition, put shortly, was that we should levy a tax of 5 per cent. *ad valorem* upon all produce received into this country from outside the British Empire, and that all received from the British Empire should be free, thus giving Canada and the other colonies a preferential position over foreign countries to the extent of 5 per cent. In return for this, they proposed to admit all British goods at 5 per cent less than their ordinary tariff rates, and that the sums derived from these 5 per cent duties should go to a general fund for defence. It appeared to him that they put this proposition forward practically saying to us, that they had been offered commercial union with the United States, which meant free trade with eighty millions of prosperous people close to their own doors, and the only thing which prevented them accepting the offer, which was a very advantageous one for them, was the sentimental desire which they have of remaining in connection with the Mother Country. Let them consider what commercial union between the States and Canada meant. Its practical effort would be to raise the Canadian tariff to the level of the McKinley tariff, thus shutting out the goods of Great Britain. It could be easily seen that commercial union on such a basis would in a very short time mean political union also with the States. It had been pointed out very fairly by Mr. Parkin, in his book upon Federation with the Colonies, how important it was for the commerce of Great Britain that Canada should remain a part of the Empire, in order that we might have not only the Canadian coaling ports and shelter on the east coast, but that we might have direct communication by the Canadian Pacific Railway with the west coast, and command the commerce and protect our shipping in the Pacific ocean from Vancouver on the north, to Australia and New Zealand on the south. In spite of the apparent threat by the Canadian delegates that, if their proposition was not accepted, they must adopt the other alternative, the meeting voted that the proposed duty could not be levied. In conversation with some of the delegates afterwards, he had pointed out to them that we already found the requisite funds for National and Imperial defence, and that therefore it was not necessary that we should find the money exactly in the way they proposed, but that, if they were as well disposed to the mother country as their speeches indicated, they might well prove the fact by reducing the tariff on goods imported from Britain into Canada by 5 per cent, as compared with foreign produce, even though we could not see our way to adopting the other half of their proposition. This they at once answered by saying that they would gladly do so, but that we had made it impossible by our treaties with other countries, thus raising the very difficulty which was also stated by the president at Dublin last year, when he said, "We have created difficulties for ourselves by legislation in days gone by—artificial arrangements, which greatly hamper us. I refer, of course, to the treaties with Belgium and the German Zollverein of 1862 and 1865, by which we undertook that our colonies should not impose differential duties on foreign goods in favor of our own. I think that though that objection is a real one, it is not insuperable, but one that we must ask the successors of those statesmen who made these treaties to consider how best they can get rid of such a difficulty." Let it be understood that it was the demand of the people and of Chambers of Commerce that in future no such treaties should be made (hear, hear), that our Colonies should not be regarded as foreign countries (hear, hear), but essentially as a part of the Empire. The resolution which he had to propose was the necessary corollary of this proposition, and they were fortunate in having as President one who could so fully grasp all such questions, and this was, therefore, a very fitting time for pressing upon the Government their desire that such restriction should, if possible, be removed; so that, in fact, there should be no barrier which should prevent them

from making any arrangement with the colonies which their common interests, their common nation, and their common Empire might suggest as being desirable. (Applause.)

Mr. J. W. Tonke, (Birmingham) seconded, stating that, before he proceeded further, he should like to take the opportunity of expressing what he knew was the feeling of all the delegates at the pleasure they experienced at seeing Sir Albert Rollit take the chair for the first time as president at a meeting of the association, and also the pleasure with which they had heard the address he had just delivered to them. (Hear, hear.) He felt that there was a strong desire that the colonies should not be treated as foreign nations, and it was the keynote of the proposal now before them, in which he would suggest that the words "and dependencies" should be added, as in any arrangement that might be made we could not exclude the great dependency of India. (Hear, hear.) Those who were present at the meetings of the Chambers of Commerce of the empire must have been profoundly impressed with the progress this question had made during the five years between the first and second meetings. Whilst at the first meeting the strong desire for commercial union was very evident in the minds of many of those representing the colonies, there was a disinclination to interfere with our policy of free imports. At the second meeting the question was brought up in a very distinct form and although the vote was against the proposal to levy a differential duty, progress had been made during the five years. This had given satisfaction to those who desired to see Imperial federation upon the basis and principle of commercial interest. Although, as he knew, they were told that the Pan-American system, which had been extended as far down as Brazil, was a very barbarous system, yet, at the same time, if we could get special advantages from our colonies, and we could concede them special advantages—our interests being chiefly manufacturing interests, while theirs were chiefly agricultural or mineral producing interests—much would be done toward bringing about a strengthening of those bonds of empire of which the president had spoken. (Hear, hear.) The position of Canada was more important than might be supposed; the United States were always trying to colon on the one hand, and cajolery on the other; attempting to cajole Canada by offers of reciprocity, and to coerce her by imposing almost prohibitive duties upon the produce which formed the larger part of her export trade. Without expressing their opinion on the questions of free or fair trade, they could fairly unite in supporting a resolution of this kind, which did not bind them in any special direction, but asked the government to take away the hindrances which lay in the way of their object, and then see what practical work could be done with the consent of the colonies towards bringing about that great commercial federation as the only means by which the Empire could be strengthened and consolidated. (Hear, hear.)

Mr. R. D. Burnie, M.P., (Swansea) had hoped some one would have moved an amendment to the resolution, but as no one had done so he would. Although he was not prepared to make a speech, he wished to direct the attention of the meeting to the vital importance of the resolution. The amendment he would move was this: that all the words after the word "object" should be omitted, and the following words be inserted:—

"On the basis of Universal Free Trade between the Colonies and the Mother Country."

That would practically be the resolution of the Hull Chamber. It appeared to him that to talk about altering the treaties mentioned in the resolution as though they did not raise important issues was not the proper course for the association to pursue, and they ought to discuss a little before arriving at such a conclusion. He would not enter on the question of fair or free trade except to say that he was an enthusiastic free trader, and should be sorry to find anything passed clashing with the resolu-