

make me feel positive in the statement that even the most ardent free trader must feel that we have now moved just as far in the direction of free trade as is possible until the growth of our population provides a home market sufficient to develop our industries to a competitive level.

RECIPROCITY WITH THE UNITED STATES.

This brings me to the much talked of question of reciprocity—I mean much talked of in the United States, for I think that the cry fails to find a responsive chord in Canada at the present time. Without endeavoring to stir up the question, I believe the feeling in Canada to-day to be, that if we begin to talk reciprocity with the United States, the United States will reciprocity us out of business. Why this feeling? It is because the people of Canada feel that any substantial advantage to them would be contested, while every effort would be directed towards securing a freer access to our market. The people of Canada are not ignorant, they read and study. They see that our imports last year from the United States were \$119,306,000, while the exports to them of our products, not including precious metals, were less than \$44,000,000. While the United States has large cities that should be a market for our farm produce we find that we imported more than twice as much of their farm produce as they did of ours. Is this satisfactory? No, and, gentlemen, I am much mistaken if there is not in Canada to-day a strong feeling in favor of terminating this most unsatisfactory arrangement whereby their goods have an easy access to our market and ours are practically excluded from theirs. What seems to be the only way open is the adoption of a different kind of reciprocity than that proposed by our friends to the South, viz.: A reciprocity tariff, placing ours on a level with theirs. Our farmers see that we purchase some \$60,000,000 of manufactured goods, two-thirds of which could be made in Canada. While this vast volume of the product of United States labor is purchased

by us, the producer of food in Canada is practically prohibited from selling food products to the United States laborers who make the goods that he purchases. Some are not slow to reason that were these goods made in Canada, our farmers would be called on to supply every kind of food product required for a new Canadian city not less in size and numbers than the present city of Toronto.

The manufacturers do not seek to foment trouble, but I am confident that before we can ever hope to gain from the United States any favorable access to their market, we must first assume, not a defiant or hostile attitude, but a determined, manly, national spirit, and show to them that we propose to guard our own interests first, last and always. This makes me feel that before any reciprocal arrangement is possible, we must adopt a scale of duties against their goods that will have the same effect as theirs has at present on ours, and by this means alone I think it possible to have the United States extend to us the reciprocal arrangement that will give us the benefit our people desire.

PREFERENTIAL TARIFF

But I must turn now to a country with which our trade relations are more pleasant, Great Britain. The original preferential tariff subsequently increased to 33⅓% was a change in our fiscal policy which was much more likely to affect our manufacturers than any one class, and that they accepted the same without any determined protest speaks volumes for their loyalty and attachment to the British Crown. They understood it as a move intended to improve the feeling of the British people towards Canada, a feeling which it was hoped would show itself in larger purchases of our great output of farm products. While many manufacturers felt strongly that sentiment of this kind influenced business only to a slight extent, and while they pointed to the fact that Great Britain never entertained more friendly feelings to the United States than now, when her tariff is as nearly prohibitive as it is