

housed, in peace and increasing comfort, within the broad domain of the Empire. Whether such a change would increase or decrease the per capita productiveness of this vast population, and thus tighten or loosen the bond that holds the Empire together is highly problematical. Experience teaches that deepening poverty tends towards disintegration, increasing prosperity towards stability and union.

It is known that the wages of productive labour gravitate naturally towards a point a little below the exchangeable value of the wealth the labourer produces. This natural tendency defies the effort of employers to keep the wages of productive labour from rising when the productive power of labour is increasing,—or the struggle of workmen even when assisted by governments, to keep wages from falling, when the productive power of labour is decreasing. Although each may defy this natural tendency under exceptional circumstances, during short periods, and within limited areas, they invariably pay heavy damages for their temerity. A decrease in the per capita productiveness of the Empire's population, would therefore deepen poverty by lowering wages, whilst an increase in their productiveness would have the opposite tendency.

The advocates of preferential duties assert that their imposition would give a great impetus to trade between the Mother land and the Colonies. Such an impetus could result only from an increase in the per capita productiveness, which in turn is governed by effective demand, that is to say people