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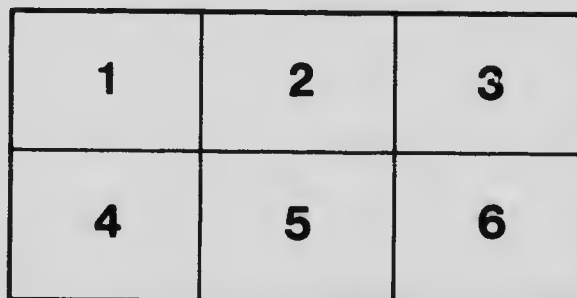
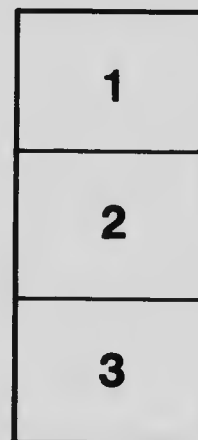
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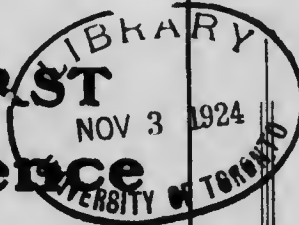
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Official Report

OF
THE FIRST
Conference



OF

BOARDS OF TRADE OF THE DOMINION OF CANADA

HELD IN
Toronto, Ont.
ON
June 4th, 5th and 6th,
1902

In response to an invitation
extended by the Board
of Trade of the City
of Toronto

CONTAINING a list of the Participating Boards of Trade and their Delegates, and a full report of the proceedings at the sessions of the Conference and the Banquet.



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RESOLUTIONS

PASSED BY

Conference of Board of Trade of the Dominion of Canada

JUNE 4th, 5th & 6th, 1902

NEWSPAPER POSTAGE BETWEEN CANADA AND GREAT BRITAIN.

That whereas newspapers and magazines from the office of publication pass between Canada and United States at the domestic rate of the two countries ;

And whereas the postal rates on newspapers and magazines between Canada and Great Britain and vice versa are so heavy as to discourage the interchange of publications;

And whereas such interchange would do much to strengthen Imperial unity and that associations of ideas and aims upon which such unity can only be based ;

Resolved therefore : That in the highest interests of Canada, Great Britain and the Empire, the postage on newspapers and periodicals should be lowered to the domestic rate, as has been done in the case of letters.

TRADE WITHIN THE EMPIRE.

Whereas the Imperial Government has changed its fiscal policy by imposing a duty upon certain imports ;

Whereas in the resolution adopted by the London Congress of Chambers of Commerce of the Empire held in June, 1900, it was stated that an advantageous commercial bond is one of the strongest links in the national unity, and that the maintenance and strengthening of trade is the keystone of a nation's successful development ;

Whereas it is the opinion of this Conference of Boards of Trade of the Dominion that it is imperative in the interests of the Empire that some practical steps should be taken towards consummating such an arrangement ;

Whereas the British Colonies are admittedly rich in natural resources, possessing as they do vast areas of arable and mineral lands as yet undeveloped, and those Colonies are even now producing in rapidly increasing quantities, grain, flour, cheese, butter, live stock, as well as the yield of the fisheries, forests and mines, all of which are continually required by the British consumer ;

Therefore resolved : That this Conference is of opinion that Great Britain can best serve the interests of the Empire by giving the products of her Colonies a preference in her markets as against the products of foreign countries, it being believed that such preference would stimulate trade and develop Colonial enterprises, and, moreover, serve to make the Colonies attractive, not only to the large number of British subjects emigrating annually from the British Isles, but also to the surplus population of other countries, and at the same time benefit Great Britain by largely freeing her from dependence upon foreign countries for her food supplies, and with that view the Prime Minister of Canada is hereby requested to urge, at the Imperial Conference, the securing of a royal commission composed of representatives from Great Britain and the Colonies to investigate conditions and to suggest such preferential treatment of imports from the various parts of the Empire as shall be best calculated to ensure the fullest benefits.

RESOLUTION NO. 2.

Whereas Great Britain has placed an import duty on agricultural products from her Colonies, as well as from other countries;

And whereas the building up of the Colonies is the surest and best means of strengthening the Empire;

And whereas the volume of immigration to and the development of the Colonies (and of Canada especially) largely depends on the encouragement given to develop their agricultural resources;

Be it resolved: That this Conference requests the Hon. Sir Wilfrid Laurier, Premier of Canada, to urge most strongly upon the Government of Great Britain the extreme advisability of arranging the import duty on agricultural produce into Great Britain, so that a preference be given to the said products imported from Canada and other Colonies as against the importations from foreign countries.

RESOLUTION NO. 3.

Resolved: That in order to encourage the importation of British goods via Canadian ports, this Conference desires that the preferential rebate on goods imported from Great Britain arriving by United States ports shall be limited to 25 per cent.

IMPORTATION OF CANADIAN CATTLE TO GREAT BRITAIN.

Resolved: That the members of this Conference of Boards of Trade of the Dominion of Canada are of the opinion that the coming Imperial Conference in June will afford an opportune time to negotiate for, and that our representatives be asked to secure the removal of the embargo that exists against the importation of Canadian live cattle into Great Britain, inasmuch as the present prohibition prejudicially affects Canadian Stock Raisers, and no contagious disease is known to exist in our herds.

STATE CABLE FROM CANADA TO AUSTRALIA.

Resolved: That it is of the first importance to have the best means of maintaining the freest and cheapest intercourse between all parts of the Empire, and that therefore the policy adopted in establishing a state-owned cable from Canada to Australia should as soon as practicable be extended, in order that there may be a complete line of British state-owned cables round the globe.

COMMERCIAL DEPOT IN LONDON, ENGLAND.

Resolved: That this Conference holds the opinion that provision should be made at the earliest possible time for a practical trade representation of the Dominion of Canada in London, by the establishment in that city of a depot of exhibition presided over by business experts having at their head a man of comprehensive knowledge of Canadian products, the whole purpose and scope of the enterprise being the increase of Canadian trade throughout the Empire and Europe, and the direction of the attention of the people of the British Isles to the products and capacities of Canada both as to emigration and investment.

CONSULAR AGENCIES.

Whereas with a view of extending the trade relations of Canada with foreign countries, it is urgent that the Federal Government should appoint commercial agents residing in the principal cities of the old and new world;

And whereas such commercial agents will be a great help to our business men, either by introducing them to the leading commercial firms of their locality or by furnishing most valuable information to the Honorable Minister of Trade and Commerce;

Be it resolved: That the Imperial Government be requested to recognize and accredit to foreign governments the agents appointed by the Canadian Government and other self-governing countries of the British Empire, and to grant them the sufficient attributions and necessary powers to protect our rights.

FAST STEAMSHIP SERVICE.

Resolved: That the establishment of a Fast Atlantic Steamship Line from a Canadian port to a port in Great Britain would assist trade in the Dominion, would increase our export trade, especially in perishable products, would add greatly to the volume of passenger travel through Canadian channels, would give an impetus to ship-building in Canada, and would with the aid of our Trans-continental Railways bind the different portions of the Empire more closely together.

Further resolved: That speed should be the first consideration in the selection of the ports of call and terminal ports, and that the conduct of the enterprise should be under the control of the Dominion Government.

And further resolved: That our representatives at the London Conference be respectfully asked to seek financial support and co-operation from the Imperial Government, towards an undertaking of such importance to Canada and the Empire.

STEAMSHIP SERVICE FROM CANADIAN PORTS

In view of the recent settlement of the South African trouble and the consequent opening up of the country, as well as the impossibility, owing to excessive freight rates, of shipping heavy goods across this continent to Vancouver to enable us to secure for Canada the Australian market for many lines of heavy goods, and the present necessity of having to ship to South Africa via United States ports.

Resolved: That this Conference of Boards of Trade of the Dominion of Canada request the Government to take active steps towards the promotion of Canadian commerce with these countries by the establishment of a cargo steam service from Canadian ports to be subsidized at so much per outward voyage, calling at South African ports and proceeding to ports in Australasia considered most desirable by the Government of Canada, thus enabling the development of business in heavier articles than is possible under present conditions. The subsidy to be sufficiently large to enable rates to be made as low as by competitive routes.

Further resolved: That the Government be requested to provide a faster service from Vancouver in order to furnish a tri-weekly service to Australia instead of monthly, as at present.

DUTY ON LEAD.

Resolved: That the Conference of the Boards of Trade of the Dominion of Canada favors securing such readjustment of the Tariff in respect to imported lead products as will encourage the development of mining, smelting and refining of lead and the establishment of manufactories of lead products within the Dominion.

DEFENCE.

Resolved: That in the opinion of this Conference it is the duty of this Dominion, as an important division of the Empire, to participate in the cost of the general defence of said Empire, and therefore that an annual appropriation should be provided in the Dominion Budget for this purpose, to be expended as the Dominion Government may direct.

CANADIAN COPYRIGHT.

Resolved: That this Conference respectfully but strongly urges the Premier of this Dominion and his colleagues to take up with the law officers of the Crown in England the right of Canada to make its own laws on the subject of copyright, without which its rights as a self-governing colony are incomplete.

MINERAL RESOURCES OF CANADA.

Whereas Canada contains vast and varied mineral resources;
And whereas the rapid and successful development thereof is of substantial interest to Canada, as it would create an excellent market for products of the farm and factory;
Therefore be it resolved: That this Conference would respectfully submit that the usual Government subsidies, both from the Dominion and respective Provinces, should be granted to approved mineral colonization railways.

RAILWAY COMMISSION.

Resolved: That this Conference desires to place itself on record as holding the opinion that a properly constituted Railway Commission should be created, with power necessary to deal with any questions affecting the relations of all common carriers to the people.

SHIPBUILDING IN CANADA.

Resolved: That this Conference of Boards of Trade of the Dominion of Canada believes that in the interest of the whole Dominion and to lessen the cost of transportation between the Great Lakes and the seaboard, the canals between Montreal and Lake Erie, and the channel between Montreal and the seaboard, should be deepened and would urge the Government to continue their work without

delay ; and would also give our cordial support to government assistance to the shipbuilding industries of this country, believing that such help is much needed, and would be of benefit to the country at large.

CANADIAN INSOLVENCY LAW.

Whereas Canadian trade is seriously handicapped by the differences of the provisions of the Law in the several Provinces applying to assignments for benefit of creditors by insolvent debtors, and the uncertainty as to the security offered in business transactions by the absence of an insolvency law in the Dominion ;

And whereas it is important that the Dominion Parliament should enact an insolvency law at the earliest possible date, whereby that confidence which is necessary for the promotion of commerce between the different Provinces and with the outside world would be established ;

Resolved : That the Dominion Government should be requested to assemble one or more commercial representatives of the various Provinces and the Territories, say in Ottawa, for the purpose of assisting in framing an act having for its basis the control and management of Insolvent estates by the interested creditors with the legal expenses reduced to a minimum.

IMPROVEMENT OF CANADIAN PORTS.

Whereas the rapidly developing resources of Canada have rendered the question of transportation of vital importance to the future prosperity of the Dominion, and

Whereas in the consideration of this question it is essential, from a national standpoint, that the trade of Canada should, to the utmost extent possible, be carried on through Canadian channels, and that the exports and imports of our country should pass through the seaports of the Dominion, and

Whereas in order to secure these results it is necessary that Canadian ports should be so thoroughly improved and equipped as to enable vessels of the largest capacity to enter them with safety, and also in order that the traffic may be handled with the greatest possible rapidity and at a minimum cost ;

Therefore resolved : That in view of the vast importance of the above objects to the whole Dominion, the members of this conference would earnestly recommend the Federal Government to grant all necessary assistance towards the building up and proper equipment of Canadian National ports.

TRADE RELATIONS WITH FOREIGN COUNTRIES.

Resolved : That the Dominion Government is hereby respectfully urged to make such alterations in the tariff upon importations from foreign countries not having reciprocal relations with this country as will serve to protect the natural products and manufactures of Canada against the present discrimination under which they suffer, and thereby bring about in the near future fairer trade relations between Canada and said foreign countries.

TRANSPORTATION AND COLONIZATION.

Resolved : That the question of transportation demands and should have, the united attention of the Boards of Trade throughout the Dominion.

That the Conference of the Boards of Trade of the Dominion should make strong representation to the Provincial and Dominion Government to aid in making out transportation facilities equal to the rapidly increasing population and growing industries of our country.

And would therefore strongly recommend : first, additional railway facilities ; second, deeper waterways, longer navigation, extended harbor facilities and increased shipping tonnage.

Resolved further : That next to transportation, colonization demands our attention. The recent census shows conclusively that our growth of population has not been satisfactory. Now that the immense fertility of our soil and resources of our country are attracting the attention of the world, we regard this as a most opportune time when vigorous efforts should be put forth to obtain and direct all desirable emigrants to our Dominion.

METRIC SYSTEM.

Whereas the largely increasing export trade of Canada necessitates the adoption of a more simple and uniform system of weights and measures ;

And whereas on the continent of Europe the Metric System prevails from the Atlantic Ocean to the borders of Russia, and it is also used in the South American Republics ;

And whereas the adoption of the Metric System has been urged in Great Britain, and in the near future may be established in that country ;

Therefore be it resolved : That this Conference urges the necessity of immediate action being taken toward the establishment of the Metric System of Weights and Measures for Canada.

MARINE INSURANCE.

Resolved : That this Conference respectfully suggests that the important question of the discriminating rates of Marine Insurance against Canadian ports be brought to the attention of the Ministers about to attend the coming Conference in London.

OFFICIAL REPORT

—OF—

The First Conference of Boards of Trade of the Dominion of Canada

HELD IN THE LEGISLATIVE ASSEMBLY CHAMBER,
QUEEN'S PARK, TORONTO, ONT.

June 4th, 5th & 6th, 1902.

The first Conference of Boards of Trade of the Dominion of Canada, convened by the Board of Trade of the City of Toronto, was formally opened on Wednesday, June 4th, in the Legislative Assembly Chamber (the use of which had been kindly granted by the Hon. Geo. W. Ross, Premier of the Province of Ontario) and continued until Friday, June 6th.

The following is a full list of the participating Boards of Trade and the delegates representing them.

LIST OF DELEGATES

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J. R. Land, Esq., President. —
Haughton Lennox, Esq., M.P.

Berlin Board of Trade

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D. B. Detweiler, Esq., Vice-Pres'dt. —
S. J. Williams, Esq. —
C. K. Hagedorn, Esq. —

Bobcaygeon Board of Trade

H. J. Wickham, Esq.

Brandon, Man., Board of Trade

A. Shewan, Esq. —
A. B. Rankin, Esq. —
K. Campbell, Esq. —

Brantford Board of Trade

Lloyd Harris, Esq.
W. Foster Cockshutt, Esq.
Charles Duncan, Esq. —
C. H. Waterous, Esq. —
John Mann, Esq. —

Calgary, N.W.T., Board of Trade
Mr. Crandell.

Chatham Board of Trade

W. R. Landon, Esq., Secretary. —
Robt. Gray, Esq. —

Chicoutimi, Que., Board of Trade

J. E. A. Dubuc, Esq., Managing
Director Chicoutimi Pulp Co.

Clinton Board of Trade

W. Jackson, Esq., President. —
John Ransford, Esq. —

Collingwood Board of Trade

W. A. Copeland, Esq., President —
John J. Long, Esq. —

Deseronto Board of Trade

P. Slavin, Esq.

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Napoleon Garceau, Esq.

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 - M. L. Webber, Esq.
 - J. S. Weichel, Esq.
- Fort William Board of Trade**
 Mayor Dyke.
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- Galt Board of Trade**
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 - J. H. McKechnie, Esq., Manager
 The Granby Rubber Co.
- Guelph Board of Trade**
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 - Captain Thomas Donnelly, Inspector
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- Lindsay Board of Trade**
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FIRST DAY, WEDNESDAY, JUNE 4TH, 1902.

OPENING ADDRESS.

Mr. A. E. Ames, President of the Board of Trade of the city of Toronto, on rising to welcome the delegates, spoke as follows :

GENTLEMEN—I feel it a great privilege to be allowed, on behalf of the Board of Trade of the city of Toronto, to welcome the delegates from Boards of Trade all over the Dominion, which have responded to the invitation to take part in this Conference. As you are aware, this is the first Conference of Boards of Trade of the Dominion of Canada, and it is earnestly hoped that good will come of it. The suggestion for such a gathering came naturally, in connection with the coming Conference of Premiers of the different countries composing the British Empire, to be held in London after the Coronation. In addition, however, to consideration of questions affecting the Empire generally, it was felt that advantage should be taken of so unique a gathering to discuss questions of internal interest to Canada. The great development which has been going on in Canada, more particularly during the last three or four years, has brought the country to a point where it should take careful stock of both its domestic affairs and its privileges and responsibilities as a partner in the greatest Empire of ancient or modern times. I have no desire to indulge in any extravagant remarks upon the glories of the British Empire. It may properly be said, though, that Canada has no reason to hang her head because of the position which she occupies. There has been witnessed, during the last few years, an astonishing burst of speed on the part of that magnificent nation just south of us, while Great Britain has seemed to lose supremacy in first one direction and then in another. The United States, however, has not, nor has any country, elements of success which are lacking in our own Empire. It remains, therefore, in order that the position of the British Empire shall be maintained and advanced, that the elements of prosperity, which are all available in large measure, shall be recognized, shall be studied and shall be safeguarded, and that there shall be intelligent co-operation amongst the countries interested. I believe that no one expects that the delegates have come to this Conference with the idea of trying to turn things upside down, and trying to have employed any but methods of natural evolution. I take it, however, that the coming together of such an influential body means that you consider that the best method of dealing with problems is not to shirk their discussion, and that nowadays it does not do to drift. I think there is also underlying this assemblage the feeling that the brightest day which the British Empire will have, will be when Great Britain and the other self-governing countries of the Empire all combine in realizing that united—in every sense, they stand, and divided—in any important sense, they fall. The best news which we have had for many a day was the news which came last Sunday that the Boer was no longer our enemy, but had joined an empire in which he will some day come to be prouder of his citizenship than he could possibly have been of the citizenship of which he had been dreaming. The treaty of peace is doubly welcome, coming as it does so appropriately before the Coronation of the King, and the closing of a warfare so fierce and attended with such universal sorrow has been celebrated in no empty spirit of triumph but rather in accord with those noble hymns which have everywhere been sung, "God Save the King," and "Praise God from Whom all Blessings Flow."

I do not think that any apology is necessary for this assemblage. We are not designing to usurp, in any sense, the functions of Parliament. The aim is that, as business men from all parts of the country and representing to some extent the business thought of the country, we shall come together, not in order to put through cut and dried resolutions, but to confer with one another with the hope of forming our own opinions and of having some influence upon the opinions of the country at large. There are a great many questions set out for discussion, but it is felt that with regard to some of these, there is such unanimity of opinion that very little time

will be occupied in dealing with them. There are, however, several questions of the greatest importance about which opinion has not yet solidified, and it is particularly in connection with these that a profitable result is anticipated. We have passed the age when people are afraid to discuss vital questions. If the whole people can be induced to consider thoughtfully any problem, the probability is that right will come of it.

And now that the Boer war has got "off the nerves" of the British nation it may not be too much to hope that attention will be earnestly directed towards the preservation and extension of commerce and industry throughout the Empire—a task which if it is once entered upon, will be pursued with the dogged determination of the British race. This Conference will not have been in vain if it shall have contributed even in the slightest degree to the arousing of a spirit of patient investigation of conditions and of determination to grapple with them to conclusion.

I desire to take advantage of this opportunity to express the obligation which the Conference is under to the Hon. G. W. Ross, Premier of the Province of Ontario, for having placed this splendid chamber at the disposal of the Conference. Seeing that Mr. Ross was kind enough to ask us to his house, it might possibly be natural to indicate that we are glad to find him at home while we are here, but as the recent struggle in Ontario politics has been severe and tension has, I believe, not wholly been relieved, we must, I suppose, be very careful not to express a preference involving any embarrassment.

I do not know whether the result of this Conference will be so satisfactory as to suggest that it be repeated from time to time. This gathering will have the advantage, in any case, of letting us get acquainted with each other, and we shall be able to realize better than we have been, the personalities behind the communications which from time to time our boards have with one another.

The Board of Trade of the city of Toronto is highly gratified at the wide response which has been made to its invitation to be present at this first Conference of Boards of Trade of the Dominion. We have only a two days' session, and but a short time is available for welcoming you. Accordingly it has not been thought advisable to ask a number of distinguished gentlemen to address you; so that, without further formality, I have now the pleasure to give you, on behalf of the Toronto Board, the very warmest welcome to the city, and to state that we hope that your visit will be not only profitable but enjoyable.

MR. McFEE, President of the Montreal Board of Trade—I rise to perform a very pleasant duty, and I am sure every member of this conference will second heartily the motion which I will now make. I move that the President of the Board of Trade of the city of Toronto, Mr. A. E. Ames, shall preside at the meetings of this Conference.

The motion was carried with applause.

PRESIDENT AMES—Mr. McFee, and gentlemen, I am sure I could not but most cordially appreciate your kindness in suggesting that I shall preside at the Conference. I accept the responsibility which has been laid upon me with some tremor, with a most complete sense of the unfitness of your appointment, but with the simple determination to do what I can to help matters along. In taking the chair it may not be out of place just to suggest a few considerations. The Toronto Board of Trade took upon itself the responsibility of asking the members of the Boards of Trade all over the country to send a representation here to this Conference. This being the first Conference of the kind it seemed necessary that the Toronto Board should take upon itself some considerable responsibility in suggesting the methods of conducting the Conference. We felt it would not do to get us all here and spend a day in considering ways and means, so that we took upon ourselves arbitrary powers with the hope that you would endorse what we have done in that respect. I, personally, was somewhat apprehensive as to whether you would accord this liberty to the Toronto Board of Trade, but looking around, as I do, at the good-natured faces which are before me, I am sure you will appreciate the sensitive position in which the Board of Trade is placed on this account, and that you will give your endorsement in blank to anything which the Managing

Committee of the Toronto Board of Trade, under the able chairmanship of Mr. J. D. Allan, has suggested; if not, if you will kindly formulate your complaints they will be attended to with the least possible delay. (Laughter.) We have before us twenty different subjects. It was necessary to draw a line at some place in order that the resolutions might be printed and circulated amongst the delegates. In that connection, without presuming to make any choice as to the wisdom of one resolution as compared with any other resolution, it was thought to distribute the resolutions which would be proposed at the Conference amongst the different Boards of Trade. It was not thought possible that every Board of Trade should have the opportunity of proposing a resolution, but, as you know, in a gathering of this kind every delegate has the inherent right to discuss every resolution that comes up, a right which if they all exercise it on every occasion would involve this Conference in a session of two months' duration rather than a few days, so that it seems necessary on your account to suggest that the speeches be limited as much as possible, particularly on resolutions upon which there is no division of opinion, so that we may get through quickly a resolution about which we are agreed, in order that we may have plenty of time to deliberate and to discuss fully questions upon which opinion has yet not been fully formed. There are certain rules of procedure at the beginning of the printed programme, and I would suggest that they should be adopted by the Conference.

Perhaps you will allow me to say, in closing, that those of us who have had special thought along this line have felt more than anything else the responsibility we are under of meeting here as a conference representative of business thought throughout the Dominion of Canada. There has been some criticism of the Conference on account of our putting ourselves possibly in the position of usurping the functions of Parliament; I think the Conference does not mean to put itself upon the offensive, or to apologize for its existence, but the feeling of the Toronto Board was that we should come here as sober business men, with a heavy feeling of responsibility, because no doubt our deliberations will receive some weight throughout the community, and it was hoped that the spirit manifested throughout the whole proceedings would be a spirit of responsibility and a feeling that we must not allow things to go through haphazard and possibly reach unwise conclusions.

MR. GEORGE E. DRUMMOND, Montreal Board of Trade, moved, seconded by Mr. T. Donnelly, Kingston Board of Trade,

That the printed rules of procedure be adopted, as follows:

1. Delegates, on rising to speak, shall announce their names and the Boards of Trade which they represent, not only for the information of the meeting, but also to insure an accurate report of the proceedings.
2. Delegates proposing amendments of any kind shall hand in duplicate copies thereof to the presiding officer.
3. Movers and seconders of subjects shall be allowed 15 minutes each, and subsequent speakers not more than 10 minutes each.
4. Delegates shall vote as individuals, not as representing their various Boards; each delegate present to have one vote.
5. Resolutions on this programme printed first in order under any general heading shall be the resolutions to be submitted to the Conference.
6. No delegate shall speak except to a resolution.

MR. PERRAULT, Gaspé Board of Trade—I see, according to Rule 4, delegates are to vote as individuals, not as representing their various Boards. At the Conference of the London Chambers of Commerce, where I had the honor of being present, delegates representing several Boards from a distance were allowed to vote for each of their Boards. I happened to be there representing three Boards of the Province of Quebec, and I was put on the official list as representing those Boards, and was of course entitled to vote on the different questions as representing these Boards. I think it would be good to have an expression of opinion covering as much ground as possible. It is quite difficult for Boards at a distance to come to Toronto, it is an expensive matter, and if a delegate is here to represent the opinion of these Boards, I do not see why he should not be allowed to express the opinion of these Boards, so as to cover the whole territory as much as possible. I would like to know your ruling upon that question, Mr. President.

PRESIDENT AMES—In reply to that I may say we have here a number of gentlemen, and the only gentlemen that can hear these discussions are those who are here, and a conference would not be a conference in reality if opinions which had been reached prior to the holding of the Conference were presented as representing different bodies which have not the privilege of actual participation, so that it was felt by the Committee of Management that to have the best effect we must put off our minds the previous ideas, and during the next two days concentrate our minds upon the matters which are before us, and in this way it was thought the best results would be obtained.

The motion to adopt the Rules of Procedure was carried.

W. F. COCKSHUTT, Brantford Board of Trade—I rise to a question of privilege. I suggest that the first action of this Congress should be the sending of a congratulatory message upon the announcement of peace, and with this in view I make the following motion:

That the members of this Conference of Boards of Trade of the Dominion of Canada express their unbounded satisfaction at the restoration of peace in South Africa on the eve of the Coronation ceremony, and trust that an era of abiding peace and prosperity in all parts of the Empire may now be inaugurated under our new-crowned King Edward VII., and that a copy of this message should be cabled to the Colonial Secretary for presentation to His Majesty.

I trust that no words of mine are necessary to advocate the wisdom of this message being sent.

The motion was seconded by Mr. McFee, of Montreal, and was carried amid great applause, after which the delegates arose and sang the National Anthem.

MR. PAUL JARVIS, Secretary of the Board of Trade of the city of Toronto, was elected Secretary to the Conference.

NEWSPAPER POSTAGE BETWEEN CANADA AND GREAT BRITAIN.

PRESIDENT AMES—The first subject we will deal with is Newspaper Postage between Canada and Great Britain, and we will take up the resolution of the Kingston Board of Trade.

MR. G. Y. CHOWN, Kingston Board of Trade—Before proceeding to the resolution which I have the honor of moving, I should like as one of the delegates from outside to express gratification at the action of the Toronto Board of Trade in calling this Conference. There has been too much of a tendency among our Boards of Trade to consider only the subjects which seemed to be of importance to the particular cities or towns where they were located, and we have been divided by local differences, and have not attempted to take up the large questions which are before us to-day. I have watched with great pleasure the action of the Toronto Board of Trade and its grasp of subjects not generally considered as embracing the work of one particular city or town. It has been to me a great source of gratification that the Board of Trade of Toronto has not only dealt with trade questions, but has felt the importance of questions that to others have not seemed so closely connected with trade, for instance, we all remember that in a discussion which has been somewhat warm in Ontario in connection with prohibition, the Toronto Board of Trade was wise enough to see that that was not only a moral question on which we could differ, but that it was also a financial question, and a question which it was proper they should deal with. And they have also taken a stand which I think has been of very much importance to the country, in appointing an important and permanent committee on education, a committee to consider and report at all times on the education of the country, and to keep the Board of Trade in touch with that education. It seems to me that in these and other particulars which I might mention, the Toronto Board of Trade has shown a breadth of thought with which we might all be favored. This Conference, I hope, is to be the first of many to which the different men who are engaged in the business of the country are to be called together to consult and express their opinions regarding trade and questions more directly connected with trade. The resolution I have to

present is one with which I need not take up the time of the Conference and on which I think we are all particularly agreed. I shall read it :

That whereas newspapers and magazines from the office of publication pass between Canada and the United States at the domestic rate of the two countries ;

And whereas the postal rates on newspapers and magazines between Canada and Great Britain and vice versa are so heavy as to discourage the interchange of publications ;

And whereas such interchange would do much to strengthen Imperial unity and that association of ideas and aims upon which such unity can only be based.

Resolved therefore : That in the highest interests of Canada, Great Britain and the Empire, the postage on newspapers and periodicals should be lowered to the domestic rate as has been done in the case of letters.

We all know the benefit of penny postage. I think it would have been wise to embody in this resolution a hope that this penny postage should be embraced by the rest of the Empire. We all know of the immense circulation in Canada of periodicals of the friendly nation to the South, and perhaps we are too much much dependent for our ideas and information upon those journals, magazines, newspapers and reports generally. Everybody here is much better informed as to the ideals, the state of progress and the general conditions of the State to the south of us than of the British Nation. The resolution which I have the honor to move is to the effect that a movement should be made in order that we may have a freer interchange of papers and journals and magazines between the Old Country and this country, so that we may come closer together and form higher ideals and better work out that unity to which we are all inclined. I beg to move this resolution.

The resolution was seconded by Mr. Donnelly, of Kingston, and carried unanimously.

PRESIDENT AMES—The next question for consideration is :

TRADE RELATIONS WITHIN THE EMPIRE

The resolution to be presented by the Montreal Board of Trade.

MR. GEO. E. DRUMMOND, Montreal Board of Trade,—I rise as a representative of the Montreal Board of Trade to move the resolution as printed on page 10.

Whereas the Imperial Government has changed its fiscal policy by imposing a duty upon certain imports ;

Whereas in the resolution adopted by the London Congress of Chambers of Commerce of the Empire held in June, 1900, it was stated that an advantageous commercial bond is one of the strongest links in the national unity, and that the maintenance and strengthening of trade is the keystone of a nation's successful development ;

Whereas it is the opinion of this Conference of Boards of Trade of the Dominion that it is imperative, in the interests of the Empire, that some practical steps should be taken towards consummating such an arrangement ;

Whereas the British Colonies are admittedly rich in natural resources, possessing, as they do, vast areas of arable and mineral lands as yet undeveloped, and those Colonies are even now producing, in rapidly increasing quantities, grain, flour, cheese, butter, live stock, as well as the yield of the fisheries, forests and mines, all of which are continually required by the British consumer ;

Therefore, resolved : That this Conference is of the opinion that Great Britain can serve best the interests of the Empire by giving the products of her colonies a preference in her markets as against the products of foreign countries, it being believed that such preference would stimulate trade and develop Colonial enterprises, and, moreover, serve to make the Colonies attractive, not only to the large number of British subjects emigrating annually from the British Isles, but also to the surplus population of other countries, and at the same time benefit Great Britain by largely freeing her from dependence upon foreign countries for her food supplies.

The thought and sentiment uppermost in the minds of the Montreal business men when they approached this great question and framed this resolution was one of loyalty to the Mother Country, because, as British subjects, we felt that any measure, however important to a colony, that would in any way weaken the Empire's heart would inevitably result in weakening the whole Empire's structure. (Hear, hear.) We felt, sir, that we prize too highly our British citizenship to be for one moment swayed by thoughts of material advantages to our own immediate country, and we framed this resolution as business men because we believe that if the policy outlined in this resolution is carried into effect it will make for the perma-

rent safety and solidarity of the Empire as no other trade measure could under the conditions existing to-day. We are frank, sir, to say, as business men, that we believe also that the surest and safest basis upon which to build a nation is that of mutual interests—we have no hesitation in saying that—and, therefore, we feel bold to believe that in the discussion we shall have here to-day we shall not be misunderstood when we discuss fully and frankly between ourselves what we think is best for the Empire to which we are proud to belong. I think every man in this room will agree with me that the question of Canada's loyalty and the loyalty of the Colonies to the Empire cannot be questioned at this late date. (Hear, hear). Sir, we are standing to-day with a new national life in Canada, and we feel it and we all know it, and we are here to confer with regard to it. The war in South Africa has drawn the Mother Country and her Colonies together in a way which years of Parliamentary debate would not have accomplished. The blood of her sons has set an imperial seal on Greater Britain that will ever hereafter, I hope, remind the Imperial authorities and Legislatures of the Colonies that no great measure of national importance can be again discussed without taking into consideration the welfare of the whole Empire. That, I believe is the position to-day. We ought to consider the economical conditions as they exist, and see what is best to be done to bring the Mother Country and her Colonies together into one strong Empire that will last forever. In 1845 when Cobden and his friends carried their policy in England, and the Corn Laws were abolished, England's great commercial rivals were comparatively unknown in the markets of the world. The United States at that time held a very insignificant position outside of her own borders, and even within her borders she was still a large consumer of British products, and at that time it might well have been thought in England that the law of interchange of commodities was such that it would pay England to admit the products of the United States free of duty. The Imperial Germany that we know to-day was yet in the land of dreams. The relative position to-day is very different indeed. Perhaps I could best describe it by quoting from a speech delivered by the Colonial Secretary of England, in which he said:

"We have to contend with commercial rivalry more serious than anything we have yet encountered, the pressure of hostile tariffs, the pressure of bounties, the pressure of subsidies, all adopted by countries which at all events are very prosperous themselves, and that have the intention of shutting out Great Britain as far as possible from all profitable trade with foreign States, and at the same time to enable the foreign States to undersell us in our own markets."

That is Mr. Chamberlain's statement with regard to the position, and he is absolutely correct, and the wonder is that England has not grappled with this question before now. Why, sir, free trade was simply a policy in 1845, and it is simply a policy to-day, not a sacred principle, not a religion, but we know with some of our English friends on the other side of the Atlantic sometimes old ideas and antiquated policies become so ingrained in their minds that they look upon them as sacred principles. Free trade is not a sacred principle, it is simply a policy. You, as business men, know what is going on under free trade in England, and we all know what has taken place in the United States under protection. We know that in the United States very large financial and industrial enterprises have been built up, and New York to-day stands with London as the financial center of the world. Surely our friends in England must some day begin to think they cannot always be right and the other fellow always wrong; surely they will begin to think that the best way of teaching the world the benefits of free trade is to give them a dose of their own medicine, and see how they like it. Perhaps the greatest danger our Mother Country has to deal with is the question of her food supply. She is almost absolutely dependent upon her commercial and political rivals for the daily food of her people. Is that a position she ought to hold? In 1900 Great Britain imported foodstuffs to the total value of over \$1,715,000,000, of which 88½ per cent. came from foreign and rival nations, and only 16½ per cent. from all of the Colonies combined. Canada's proportion was 9½ per cent., or \$67,230,479, and the United States, commercially

unfriendly though she is, as exhibited by the tariff she placed against England and against Canada, supplied 44 per cent. of the food stuffs required to keep the people of the British Islands alive, or \$314,806,238. I may be permitted sir, to quote Marston's "War, Famine and Food Supply." Mr. Marston, who is well known in London as a publisher and writer, and has perhaps taken more interest in this question of food supply than any man in England, estimated that Great Britain had never more than a precarious week's supply of food in the country. His greatest critics, including Mr. W. G. Bear, the eminent agricultural authority, said he is all wrong, that the country can depend upon having a food supply good for nine weeks' consumption. No wonder, Mr. Marston says, "In whatever light we look at it there can be no question as to not merely the advisability but the necessity of removing our last and most vital line of defence—our food supplies—from the control of America and Russia to our own absolute control." Can anyone gainsay the truth of what Mr. Marston has said? If, Sir, the territory controlled by Great Britain were limited to the British Isles, then Britons might well fold their hands and say, "We cannot help it, the position is theirs, we must exist and continue to exist by the grace of Russia, America, Germany, France, Holland and Denmark, from whom we get our food supplies." But, thank Heaven, by our ancestors and by the grace of God, we have a more goodly heritage. Canada, Australia, New Zealand, India, South Africa, and many another spot colored red on the map of the Globe have room enough and arable lands enough, and are British enough—British as the Isles themselves—to supply the Mother Country with her wants. All we ask is that England give us a preferential arrangement in her market, that will give her a chance to send her overflow population to the wide fields of the Canadian North-West, to Australia, and other portions of the Empire, to find profitable employment in raising the food supply that will guarantee to the Mother Country that she will never have to depend upon foreign nations. I think fifteen years from now that could be accomplished, if they would give us this preferential arrangement to-day, and there never was a time more opportune for Great Britain to move in the matter. I was glad to see yesterday the statement made by the Chancellor of the Exchequer that the duty of threepence per hundredweight should remain on grain in England. Let it remain for two years sir, and England will learn that after all it won't matter so much as regards the cost of bread. That has been the great argument, but threepence per hundredweight amounts to one-eighth penny on a loaf of bread, and many times you will learn from practical men in the business that two shillings per quarter of an advance has not raised the price of bread in England. The whole thing is regulated, as the Chancellor of the Exchequer said the other day by the matter of supply and demand. Bread has risen within the last few weeks in England because there was a shortage in the foreign crop of the United States, and maize and everything else has gone up in England, but the threepence duty would not have changed the price of itself. Now, the opportunity comes for England to fall in with the logic of the free traders of the Manchester School, and say, "We will oppose this duty, but we will give you 16 2/3 per cent. at present; we will have a growing quantity each year of Colonial grown food-stuffs free." That is along the line of free-trade logic, and at the same time is along the line of a logic that we, as Canadians, feel will make the Empire absolutely independent in this matter of food supplies. How is Canada placed to take her part in regard to this food supply? We Canadians sometimes forget that we own more than one-half of the wheat-growing lands of the North-American Continent, not over one-eighth of that is yet occupied, and perhaps not over one-half of that one eighth is under crop, and yet last year, sir, 32,000 Canadian farmers raised 90,000,000 bushels of wheat, and had 45,000,000 bushels of wheat for export. Great Britain uses of wheat in the average 170,000,000 bushels a year; give us a preference in her market, and the wheat will be where we have put the cheese in the last few years from Canadian sources. (Applause). 125,000 Canadian farmers will enable us to supply Great Britain with her wheat, and I have it on the authority of our wheat men we will in many portions yet grow corn advantageously. They are moving further north from the United States, and I am glad to see so many Ameri-

Call farmers coming to this land; they make very good British subjects (Hear, hear); they know a good thing when they see it, they know there is no country in the world that guarantees the liberties of people as Britain guarantees them. They know they can invest their money in Canada under British institutions, and that money will be safe, and they will be coming over here and they will occupy that territory in the North-West, but one would like to see some settlers coming over. That is the position Canada is in with regard to wheat, and I hope it will be with regard to corn. The midlands of Canada and the West will take care of a portion, increasingly so, of the dairy products of Canada, and with this increase in shipments from Canada, must necessarily come the development of our railways, must come the improvements of our waterways, must come the perfecting of our national ports, and the full equipment of same in a modern way, so that we shall build up a trade with England, and make it possible by the large shipments we send over to them to bring back large shipments from the British side, and that will fasten close the bonds that bind us to the Empire, and will build up the Empire. I have very much pleasure in submitting this resolution, and I hope it will be agreed to unanimously by this august body. (Applause).

Mr. W. F. COCKSHUTT, Brantford,—I have been asked unexpectedly by the Montreal Board of Trade to second this resolution, and being so largely in accord with it, I feel constrained to do so, though I have not made the preparation that I could have wished with regard to it. I may say that I have been studying this question now carefully for some fifteen years: I have had the honor of being elected three times to the Chambers of Commerce Congress in London, where this question has been discussed. I may say it is very near to my heart. I agree very largely with the sentiments of the mover of the resolution, and I look upon it as the most important question that can possibly come before this Congress either to-day or to-morrow. We know that the British Empire as a whole, though it is a unit in some respects, is not united with regard to trade. Look around the various component parts of the British Empire and see what their relations are to the outside world—all the way from free trade to very high protection, and all the intermediate stages. Is there any other country upon the face of the earth where the same thing exists? I think not. No great Empire, no great nation anywhere in the world exists to-day with each individual part of it having a different tariff or a different arrangement with regard to imports and exports from foreign countries. The British Empire alone is the example of this, and we contend that that has not been a strength to her commercially, and it is not a strength to her commercially to-day. I look upon it as a necessity, if the Empire is to continue as it is to-day, with all its component parts, that within a very few years a general system of trade must be inaugurated between Great Britain and all her colonies that will have mutual advantages to each. We are frequently charged with being selfish, that we are looking for something for ourselves, but knowing well the conviction on this question of the gentlemen that have been at the back of it for several years, I believe that there are no more disinterested men in this country, or in any country, than those gentlemen who are laboring to forward this object. I believe they are laboring in what they believe the best interests of the British Empire. I for one wish to speak from that broad standpoint, not for Toronto, not for Ontario, nor yet for the Dominion of Canada, but for the whole Empire. I think we may say that we desire that a mutual bond of trade, material interests, should bind the various component parts of this Empire together. We, Sir, know that various questions have arisen in the Old Country recently, and there are a great many questionings now with regard to the wisdom of free trade. This indeed has been the great policy of Britain in the past, but is it bringing to her to-day all that it brought in the past? Is it as satisfactory to-day as it has been in the past? I trow not. Look at her trade returns, look at the importations last year from the United States alone, look at the importations from Germany and from the various countries of Europe, a vast aggregation of upwards of £100,000,000 has been imported of manufactured goods into Great Britain. Is that not telling a tale upon the British workman? Is that why he should kick at putting a half-penny on each loaf, if necessary, in order that

the food supply may be benefited, that the food supply of all the Empire may be brought from British sources, and not from foreign countries? Or is it any reason why you should not go forward and say that no goods shall enter into Great Britain or her Colonies without paying a certain tax if they see it is for the good of the Empire to do so? We believe that free trade is wanting in the Old Country. We have said for years it was a necessity. I for one have said this over there, and I say it here fearlessly, that I believe within ten or fifteen years Great Britain herself will need the policy that is proposed in this resolution more than Canada needs it to-day. I believe she needs it as much to-day as we do. We are getting on very well, and are not looking for anything particularly for ourselves in this, but I contend it will be a great advantage to the British Empire herself, and Great Britain particularly, to adopt the course suggested here. We talk about the open door—that is a question that has come to the front recently—it is a new name for free trade. We dwellers in the North think,—and I believe a large majority of both parties think—that doors are for the protection of the people inside the house and not for the convenience of the people on the outside of the house (hear, hear), and that it is for the dweller in that house to say whether or not that door shall be opened, or whether it shall be closed. If we look at it in this way we will see that in winter the dwellers in the north have to protect themselves against a rigorous Canadian winter, and it is for the people inside to say whether that house is too cold or too warm, and it is proper and right to say whether or not Great Britain's doors shall be opened to all the countries of the world or whether she will levy on them a taxation necessary for her own interests, and in the interests of those that support her. That is the position with regard to Great Britain. We have an immense territory, a territory that embraces all races, all climes, we can produce in the British Empire every requisite for the greatest nation the world has ever seen; why should we not be supplying these things from the various parts of the British Empire? With regard to trade, we have pursued a policy of drift, and have had no uniform procedure. We have seen it exemplified, that when a war comes we are one; we sent our men from every part of the Empire to die upon the same battlefield in the same cause; we have one flag floating over us; we have one King reigning over us, and we acknowledge one allegiance to one King; but when it comes to matters of trade, we are no longer members of the same family, but everyone going on a different road, and in some cases an antagonistic road to the general interests of the family. Is that as it should be? I think not. Manchester, when we went over to the last Congress, moved a resolution, and what was it? It was, that no matter what was done on this subject the principle should be recognized that Great Britain should be allowed to buy in the cheapest markets. Can any great nation or any great power be ever built upon so narrow a policy as that? I say not. Pursue it in your own business and look how it would work. Let any man who is in business, say to his wife, "There is a bargain day at so-and-so's shop to-day, he is selling goods a great deal cheaper than I can, take your trade to him and go by me." Look what you would put in the mouth of your opponents; that man who is running that cheap bargain counter says, "You are not going to trade with so-and-so, here is his wife buying goods from me to-day; would she do that if I were not able to sell things cheaper than he is?" You are putting the same argument into the British blue books, and I have told Englishmen that their blue books are their greatest condemnation. Let Americans or Germans go to South Africa or Australia with that argument in their hands, and I say it is perfectly irresistible. Let them refer the Colonials to the British blue book to see how much of agricultural implements, how much of iron and steel and of all the products of commerce are being imported from their outside adversaries in trade, and there is an irresistible argument put which no Briton can safely answer. You cannot afford to say that the cheapest market is at all times the true market to go to. How is it going to affect the family—affect us as a people and as a nation—there is the question; and I contend that no narrow minded policy, even if it carries with it a half-penny or a penny a loaf, should ever be allowed to intervene between the successful trade of the British Empire and what is unsuccessful, and I contend—I say it here fearlessly—that I believe Great

Britain, within the very near future, will need just such a policy as is propounded in this resolution more than we need it in Canada. We are self-sustained here to a large extent, in the Providence of God we have a great country with great resources, and we are going to be able in the very near future, if we cannot do it to-day—I believe we can do it now—we can produce iron and steel and many other articles of commerce cheaper than any other country in the world—and why should not Canada, if necessary, be the workshop of the Empire? I contend Great Britain's salvation lies along with her Colonies, and shorn of her Colonies she could not class in the first rank of nations for one year. Why, then, should she not adopt the policy that would bring to her these great nations that lie scattered throughout the world? The only way it possibly can be done is to have a general bond of material interests, it is the keystone of a nation's unity and prosperity, and I believe the sooner England adopts that policy the better for herself and for every constituent part of the British Empire. I do not speak from any narrow standpoint; let it take in every little island of the sea over which the British flag waves, let every one of those islands feel that in a policy such as this they have something that binds them, not only in sentiment, but in material advantage and interest to the British flag, and you will have a unity of spirit and purpose that cannot be obtained in any other way. Why should we always say Canada, or any other country that advocates this is looking after number one. I tell you when Great Britain and the thinkers over there get their eyes open they will see that they need this policy as much as we do. Look at Great Britain's agricultural interests under free trade, practically wiped out—the farming community has become extinct. One of her poets said:

" Ill fares the land, to hastening ills a prey
Where wealth accumulates, and men decay:
Princes and lords may flourish or may fade;
A breath can make them, as a breath has made:
But a bold peasantry, their country's pride,
When once destroyed can never be supplied."

(Applause). That is just what is happening in Great Britain to-day; her yeomanry are being wiped out, and how is it being done? Because wheat and other great cereals have been imported from different places and the yeomanry have been compelled to leave the soil and to furnish the bone and sinew for carrying on the industrial enterprises of the cities. That great thinker, Earl Grey, has said: "This can no longer go on, our country is now depleted and stripped of its yeomanry, we have no more bone and sinew to send to the cities, and we must inaugurate a policy that will send the people back to the soil." There is the point, put on sixpence, or a shilling, or two shillings, if necessary, and rehabilitate agriculture in Great Britain and her Colonies. That is what this policy will do, it will build up Great Britain in a way that no other policy can. Then, it is just as necessary in regard to a great many manufacturers as it is in regard to wheat. Look at the great influx of goods from abroad, and you will see Great Britain's supremacy is threatened. Why is it? Because foreign countries have been allowed to dump their superfluous products into Great Britain. Look at the sugar industry; it has been wiped out and at the mercy of the Continent for years, and why? Because individual firms have been asked to fight the nations that were paying the bounty, and though the capitals of some individuals in Great Britain seemed to be well-nigh inexhaustible, matters have gone on and on till in Greenock alone, where there were six refineries, there is only one left. If it is an advantage for a nation to have one industry wiped out, how much more advantage would it be to have fifty industries wiped out? That is the way it has been wiped out, by the granting of bounties, and that bounty has not only struck the refineries of Great Britain, but also our refineries in the West Indies. We know the cry of these people has ascended, and their request has not been granted. Why? Because of the lack of a resolution like this one. I have felt very warm on this question, and I have much pleasure in heartily seconding the resolution so ably moved by my friend, Mr. Drummond, of Montreal. (Applause.)

MR E. G. HENDERSON, Windsor Board of Trade—I do not rise to move an

amendment, but I think we ought to go a little further, and I would suggest to the mover and seconder of this resolution that they add to it the last clause of the resolution proposed by the Toronto Board of Trade.

"And with that view the Prime Minister of Canada is hereby requested to urge at the Imperial Conference the securing of a royal commission, composed of representatives from Great Britain and the Colonies, to investigate conditions and to suggest such preferential treatment of imports from the various parts of the Empire as shall be best calculated to insure the fullest benefits."

If our Premier's hands were strengthened with that addition, I am sure it would have a very good effect, and while this motion which has been moved by Mr. Drummond and seconded by Mr. Cockshutt fairly covers the ground, I think it would be much better if we added those words.

MR. THOMAS McFARLANE, Ottawa Board of Trade—I think it would be very profitable, if before the discussion proceeded much further we should come to an understanding as to what is to be done with the rest of the resolutions that are printed under this heading—there are twelve or fourteen of them, probably half a dozen are like the one that is now being proposed in favor of the preferential trade generally; and there are a further half dozen which describe the means of obtaining this preferential trade, that is by recommending that Great Britain remit the recently imposed grain and flour duties in favor of the Colonies. While one might be very well in favor of the resolution that is presented, we would not like to exclude the consideration of the others to which I have referred. This resolution proposed by the gentlemen from Montreal proposes that some practical steps be taken, yet it does not appear to me that any practical proposal has been made which is to result in preferential trade, it is only a resolution in favor of a phrase, a phrase such as we have had bandied about for the last twelve or thirteen years. But what we want is something more definite. Why are we here to-day? It is because the Premier of Canada, Sir Wilfrid Laurier, with his colleagues, is about to attend a conference in London where this matter is to be discussed, and where some practical steps are to be taken. If we adopt this resolution merely, and allow the other thirteen or fourteen to be struck out, we are certainly doing nothing towards practically solving the problem that lies before us, and I would like to ascertain before we proceed, whether if we pass this first resolution any opportunity will be afforded to discuss the other resolutions in which the remission of the grain and flour duty recently imposed in England in favor of the Colonies are dealt with. I know there are a great many representatives of Boards of Trade here who wish to advocate that idea, and I think it would be too bad if they did not have the opportunity of doing so.

PRESIDENT AMES—In reply to Mr. McFarlane it may be said that any resolution that tries to cover too many departments becomes involved, and in connection with that it is recognized that the general headings which have been put do not in every case exactly cover all the resolutions which have been printed under that head, and with regard to this question that is probably more particularly the case, and if it would meet the suggestion of Mr. McFarlane, and meet the wishes of the Conference, I may perhaps be permitted to suggest that the resolution as proposed be considered with such amendments along that line as is desired, and that we further consider a resolution along the line of the preference of the tax upon wheat and flour, say for instance that Brandon be asked to introduce their resolution, which is a short resolution dealing with that very question; would that meet with your suggestion?

MR. McFARLANE—Perfectly.

MR. A. E. KEMP, M.P., Toronto Board of Trade—I notice in the resolutions of the Berlin Board of Trade and the Kingston Board of Trade, reference is made to the matter of German discrimination, and as German discrimination is a matter which has received the attention of the Montreal Board and other Boards of Trade to a very great extent within the last two or three years, I would suggest that that form a third subject for consideration.

MR. G. E. DRUMMOND—With reference to the resolution of the Brantford Board of Trade I would like to point out, sir, that the preamble is all right and in

accord with your ideas, but that the resolution itself is not any narrower than that of Montreal. It is no more specific than ours. Let me say we will be glad to accept the suggestion of Mr. Henderson, of Windsor, to add the last clause of the Toronto resolution to that of the Montreal Board of Trade.

MR. MCFARLANE—I am very sorry to hear that the representatives from Montreal are in favor of adding the last clause of the Toronto resolution with regard to a commission; that is the usual way to shelve a matter. It would seem to me that the Kingston resolution might be the one adopted for the second discussion. There are a great many of us here, I have no doubt, who have no objection whatever to the passing of the Montreal resolution on the understanding that the Kingston Board of Trade will bring forward their resolution in regard to the manner of bringing about preferential trade.

PRESIDENT AMES—As this suggestion came from Mr. McFarlane, so far as the Chair is concerned it will gladly accept the suggestion that the Kingston resolution be discussed next.

MR. C. A. YOUNG, Winnipeg Grain Exchange—I think it would be well to adopt the resolution moved by the gentleman from Montreal which deals with the general principle. There are conditions which make it necessary that the food products and other exports from Canada and from the Colonies should be dealt with in a different way, and I think we cannot go too much into detail in a matter of this kind to try and make our case as clear as possible. I do not wish to be understood as speaking on the resolution, but I would suggest that you take the general principle suggested by the Montreal resolution, and then allow the other resolutions to be taken up. For instance, we have a definite resolution from the Grain and Produce Exchange of Winnipeg, which goes very fully into the matter, and I would suggest that that or some other resolution be discussed and adopted from the food product standpoint.

MR. M. C. ELLIS, Toronto Board of Trade—When you come to consider that we have some twenty-three motions upon this question of trade relations within the Empire, I think as business men it would become apparent to you that much time can be saved, and a great deal of assistance given, if it were to appoint a strong committee of able representatives of the leading Boards of Trade, or especially of those Boards of Trade which have sent forward motions, and have that committee bring forward a resolution which they shall agree upon to submit to this Convention, and certainly the points which have been raised here as to German discrimination should be included along with the other questions, it being one of stupendous importance and of great interest to Canada. Therefore, Mr. Chairman, I would suggest that you take the sense of this meeting as to whether the gentlemen present would not prefer to place this list of resolutions in the hands of a competent committee to bring forward a resolution in proper shape before the Convention.

MR. GEO. McLAGAN, Stratford Board of Trade—I approve very largely of the suggestion of the last speaker, but think that the time is inopportune for it until we have had further discussion. I think further discussion will bring out the features of other resolutions which this Conference will desire to have incorporated in a general way. Until there is further discussion I do not think it is possible for any committee to bring forward a resolution that will meet the view of the Conference better than the one which we have now before us. I think at present we might have an informal discussion, and then we would be able to appoint a committee with a full knowledge of the views of the Conference to present a resolution which would embody the consensus of opinion of the Conference.

PRESIDENT AMES—I think, gentlemen, the suggestion of a committee on resolutions is a good one, except that we have not a great deal of time, and, as the last speaker has pointed out, a committee could not at this stage be seized of the general sense of the Conference, and if you would allow me I would suggest that the discussion proceed on the Montreal resolution, and it will be competent for any Delegate to suggest an amendment to it. Let us see how we will get along, and possibly we may reach a conclusion as to it which would, of course, add to dispatch of business. Then, when that is dealt with, either by being passed here or referred to

a committee, we will take up the Kingston resolution dealing with the special question of relations with Germany.

MR. McLAGAN, Stratford—Is it in order to offer another resolution in substitution for the purpose of discussion?

PRESIDENT AMES—Anyone may move a resolution in amendment.

MR. PERRAULT, Gaspé Board of Trade—I think it will be impossible to get to work in that way. After we have affirmed the principle of the Montreal resolution, which covers the whole ground, we can take up any special question relating to that general resolution, as a distinct resolution, but if we wish to propose amendments we will not really know where we are. The question is too large to be included in a single resolution. Let us affirm the principle first, and then take up the different sections.

PRESIDENT AMES—The Montreal resolution is before the conference, and we must ask to have the Montreal resolution discussed.

MR. W. F. HATHEWAY, St. John Board of Trade—I wish to speak on the Montreal resolution, and to move an amendment, and after it has been seconded it is possible that the gentlemen who moved that resolution will feel that it is wise to add the amendment to the original resolution.

Resolved: That the preferential duty rebate of 33½ per cent. now allowed on all merchandise imported from Great Britain should only apply when such goods are imported into Canada through Canadian ports, which change will greatly stimulate the direct steamship services between Great Britain and Canada and will also tend to strengthen Canadian national sentiment.

Speaking more particularly upon the Montreal Board of Trade resolution, yesterday the flags were waving for peace. We left 230 of our Canadian soldiers on the field of battle in South Africa, but we all know that during the last twenty-five years there has been a commercial war between this country and the country that lies to the south of us that has taken away from us many more of the best people in the rank and file of this country than any war of any kind in the last twenty years. I take it that the Montreal Board of Trade resolution, so ably moved by Mr. Drummond, has for its pith and center the idea of changing that state of affairs, so that the merchandise of this country will flow through the best channels, through our own ports to the land across the sea, and that the trade of this country will not increase as it has during the last twenty years with the country to the south of us. I believe the gentleman from Brantford mentioned it that way, and spoke of it so very strongly. It is a surprise to me, and it must be a surprise to some of you, to know that in the year 1900 the Dominion of Canada bought of the United States \$25,000,000 worth of farm products, and they returned for that only \$8,000,000 worth of farm products. Is that the way it should be? I trow not. It is a surprise to me to know that in the case of very many different lines of goods produced to a large extent during the year 1900, the United States sold more to us of such things as potatoes, oats and a number of things, than they bought of us. So I take it that the spirit of the Montreal Board of Trade resolutions is to change that. How is it to be changed? By the duties which should be levied. I think we ought to look at this matter in a very practical way. It is a large amount for the British taxpayer to be asked to pay a shilling or even sixpence, but this question of threepence a hundredweight will not turn the scale; half a penny a pound on wool would not turn the scale. If you go into the figures of the statistics issued by Great Britain herself you will see that a penny a pound on wool and three-pence a hundred pounds on wheat, that is to all countries except her great colonies—Australia, India, South Africa and Canada—taking it altogether, during the first five years, as the increase of the taxes of the British taxpayer, would not amount to any more than £1,500,000 to £1,700,000 a year. That is a large amount for the British taxpayers, and John Bull naturally turns around and asks, "What is the return that Canada and you gentlemen that assemble here are going to give us for that?" But the return is a great return. Why, as one gentleman spoke here this morning—Don't you see that every emigrant who lands in Manitoba or the further North-West or your northern part of Ontario

would be a purchaser of English goods again? In 1899 we imported from England only \$43,000,000 worth of goods, while we bought from the United States \$119,000,000 worth of goods, and cannot that be changed by the wide policy mentioned in the resolution? I think it can be changed. I feel that now the British people are in a position to change that. Some may, perhaps, think that it is unwise to ask this in view of the fact that we have given preferential trade to the extent of 33 1/3 per cent. already to the English people. Still, it seems to have encouraged the British people to buy more from us. Then we have this later enthusiasm which came from that country because of the number of men we sent to South Africa, and that has further stimulated the British people, so that now I feel the time is opportune, and, I think, it will be strange if the influence of this Conference of Boards of Trade is not felt in the Imperial Congress through the representatives which Canada will send. I am glad to see this movement brought forward at this time; I would be gladder, also, if in the remarks of gentlemen from the west and from the east, from Manitoba and from British Columbia, they would recognize the breadth of this Dominion and try not only in the way of gathering our men together to help Great Britain in her wars, but try in a further and completer way by establishing our own Canadian nationality in sentiment, by acting upon the suggestion of this amendment to the resolution and carrying it, to send our trade through Canadian channels. That is what will bind us together. Trade is the great leveller of men. You may have seen somewhere that trade is called petty and huckstering, but trade is not petty, it is not huckstering, it stands there as a great power in the making of a nation. I believe if you regulate your trade so that the whole country will participate in it, and in order that the great bulk of it will go through Canadian ports, the time is not far distant when the solidarity of Canada will be infinitely stronger than it was ten or fifteen years ago. The people in the east feel this somewhat, the people in the far west feel it also, and I hope that the representatives from Toronto, this beautiful city where we are to-day, the representatives from Montreal, will feel also the necessity of making this resolution truly Canadian in its character, and making it so that the amendment suggested will be added without the necessity of a vote, so that the great Canadian trade as it is expanding every year with the Old Country will expand more and more, and will expand through the ports of our own country, and not through the ports of another nation, however friendly it may be.

MR. ROLLAND, Montreal—It is with pleasure I rise to second the motion of my friend from St. John. This rebate which is given should be accorded only to goods passing through Canadian ports, because our Government has made large expenditures for our harbors, our railways and canals. I believe, gentlemen, you will agree with us that goods coming from England should have the rebate only when they are sent through Canadian ports, in order to build up our ports and our Canadian trade, and not favor other ports to our detriment.

MR. CHOWN, Kingston—It seems to me Mr. Hatheway's resolution deals with another matter altogether. It is dealing with preferential trade coming into Canada, while we are discussing a preference in Great Britain, and it seems to me that might better come up as a substantive motion later on.

PRESIDENT AMES—I think the matter of the amendment may be included.

MR. J. E. DEWOLFE, Halifax Board of Trade—I think the amendment moved by Mr. Hatheway is of such vast importance that it should be a resolution by itself, and I would ask in the interest of this amendment that Mr. Hatheway would withdraw his motion and have it discussed as a resolution by itself.

MR. CHRISTOPHER EATON, Owen Sound Board of Trade—I consider the Montreal resolution has been most carefully framed, and I think the amendment asked for by the gentleman from St. John will come in very well at another place, perhaps when the question of transportation is considered. I shall certainly support the Montreal resolution. There is one little change which I would like to suggest, "That this Conference is of opinion that Great Britain can serve best the interests of the Empire by giving these food products," instead of products. (Several delegates, No, no.) However I think we will save time by passing the Montreal resolution.

PRESIDENT AMES—Do I understand you to make that as an amendment?

MR. EATON—No, I would not make that as an amendment, but I would simply suggest that as a change if it meets with the approval of the gentlemen here. (Several delegates, No, no.)

MR. CHARLES B. WATTS, Toronto Board of Trade—I was going to ask what point in the Montreal resolution Mr. Hatheway's amendment covers, because I have looked over it carefully and cannot find what words are amended by that resolution, or what is the idea. Under the heading of Steamship Service from Canadian Ports, I think, Mr. Hatheway might introduce his resolution, and in that way get support, which he would not get under the present conditions.

MR. HATHEWAY—I understood the President to give his decision about the matter.

PRESIDENT—The decision of the chair was it is competent for you to make the amendment to this resolution; it is of course also competent for you to withdraw it, and it could be dealt with separately as being a resolution arising out of the resolution submitted, and included under the general head. It is for the mover and seconder to say whether they wish the amendment put, or whether they will withdraw it.

MR. HATHEWAY—Perhaps the mover and the seconder of the Montreal resolution would allow it to become part of their resolution.

MR. DRUMMOND, Montreal—I must regretfully say that we must decline to incorporate it with our resolution. I may say that we will be glad to support it as a separate resolution. We would like this resolution to be carried as it is with the clause from the Toronto resolution added; we want it made as broad as possible. We would like it to remain with regard to the word "product." We want the West Indies to have a chance with regard to sugar, and we want the wool from Australia to have a chance.

MR. HATHEWAY—As Mr. Drummond has said he would be glad to support my resolution as a separate resolution, we will be glad to withdraw the amendment and bring it forward at a later stage.

MR. McLAGAN, Stratford Board of Trade—I wish to offer as an amendment the addition of the last two clauses of the Stratford resolution.

"Further that preferences between the Mother Land and the Colonies should be entirely voluntary, rather than the result of bargaining, and each independent government should consider the interest of its own people first.

That it is possible to continue the Canadian Tariff Preference in its present form or modified, if need be, so that no interest in Canada need suffer thereby; and in the opinion of this Conference Britain would be serving the interests of the Empire by adjusting the present tax on foodstuffs, and levying any other duties that may be imposed in such a manner that imports from Canada and other Colonies will have preference over those from other nations, when this can be done without sacrifice of British interests."

In moving this resolution I do not do so with the idea that in its present form it will be adapted to be tacked on to the end of the Montreal resolution, but I move it because I believe it is necessary if we are going to have a free and full discussion of this subject in order to permit a resolution to be drawn that will be harmonious, and can be passed heartily by a large majority of the Conference. While agreeing almost entirely with the wording of the Montreal resolution I consider it is indefinite in some points, and leaves room for a difference of opinion that may exist on what seems to me a very important and vital point. The important point that we wish to bring out in offering this amendment is that suggested by the first clause, that preference between the Mother Land and the Colonies should be entirely voluntary rather than the result of bargaining, and each independent government should consider the interest of its own people first. When tariff preference was given by Canada to the imports from Great Britain, while there might have been some opposition to it I do not think anyone will deny that it had two results; in the first place it had the result of stimulating to some extent at least an increase in imports from Great Britain as against those from other countries, and, second, it has the result of strengthening very materially the bonds of sympathy and common interest that

exist between Canada and the Mother Land, and in this way, indirectly, it had the result of laying the foundation for an increase along commercial lines that will be very helpful. We can, no doubt, all agree most heartily that this resolution would be a desirable thing to have, and we can also agree that the present time is an opportune time for urging the possibilities that would lie for Canada and other Colonies along this line, as well as for the general upbuilding of trade between the different parts of the whole Empire, but this point we think should ever be kept in mind, and that is, that while we may all agree as to what is desirable we should seek always to take means to bring it about in the most sure way, and it seems to us that in making a resolution that will seem to indicate that we are expecting and looking for an arrangement that will be bargaining between the Mother Land and between the Colonies to bring about a sort of commercial union, and in attempting to do that we are attempting to do something that will in the end frustrate the very object we have in view. While it has been pointed out that there is a great difference in the tariffs of the different colonies, and the lack of that trade between them that we might desire, still we must remember because of the diversity of location and diversity of interests, it is a very difficult problem to bring about unity along that line, and it seems to us at this time the best way to bring that about is along the line that Canada has taken the initiative in, namely, in voluntary action instead of bargaining. The idea of this resolution is that whatever we do along that line should be merely to seek to strengthen the idea that by a preference good may be accomplished, and leave it to the Mother Land to work out this question, let her statesmen work it out independently of any bargaining with us or with any other colony, because the moment you introduce the idea of bargaining, the moment you ask for something in return, that moment you have robbed your work of the effect that is to be obtained by the strong bond of sympathy and common feeling that is really the great bond in the British Empire at the present time, and you make possible the arising of friction, and just so soon as you make a man's commercial interests seem to run at variance with those of another that moment you are liable to have him seeking to advance his own interests, and to have him indifferent to the interests of the whole Empire, that is a very natural result. Therefore, we are urging by this amendment that Great Britain, through her statesmen, independent of us, should consider the question, and in view of the fact that she has made a slight deviation from her practice of many years by imposing a duty on foodstuffs, it seems to us an opportune time to suggest that she should consider the possibilities of preferential trade in the adjustment of the present tariff or any tariff she may seek to impose. I think it will be a mistake if this Conference should urge upon Great Britain the establishment of duties upon her imports for the express purpose of creating a preference for her Colonies. I think, if we read aright the temper of the British people, it would be simply frustrating the object we have in view.

WILLIAM PRESTON, Stratford—I have to second the amendment proposed by my colleague, Mr. McLagan. I think, Mr. President, that the subject under discussion at the present time is by all means the most important that will come before us for deliberation. You have said that this is a Conference, and I trust that this amendment will receive very careful consideration, putting aside for the moment any preconceived ideas we may have had with reference to a preferential tariff or in favor of the resolution. I beg to notice in the first place that the resolution does not call for a preferential tariff within the Empire, or between the nations forming the Empire, but simply requests and suggests that Great Britain can best serve the interests of the Empire by giving the products of the Colonies a preference. There is nothing said whatever about the return the Colonies shall make to Great Britain, and in that respect I think if the Conference is in favor of the preferential tariff within the Empire it should be corrected to that extent, although personally I agree with my colleague who moved the amendment that it is not advisable to make a preferential tariff agreement between the Colonies, but that everything of that kind should be voluntary. Most of the remarks of the seconder of the resolution, I think, were not altogether in line with the resolution as it was drawn up, but more in support of a preferential tariff among the nations forming the Empire, because each Colony has got

big enough and influential enough at the present time to be styled a nation. I claim that Canada now is big enough, great enough, that Canadian citizens are individually wealthy enough, fully as much so as those of Great Britain to pull away from the tutelage that we have occupied to the Mother Country in the past, that we should rise above the boyhood dependence on the Mother Country and assert our manhood (Hear, hear) and no longer approach the Mother Country with cap in our hands asking alms or undue favors. (Hear, hear): I claim, Mr. Chairman, just criticizing for one moment a remark of the seconder of the motion, that there is no reason and no object why the workman of Great Britain should consent to a half penny or a penny a loaf on his bread, if as was stated, Canada is to be the workshop of the world, and at the same time we are to feed them; what inducement can there be to the workman to consent to a duty of that kind? Just change the thing around for a minute and put ourselves in the position of Great Britain, and we imagine a suggestion coming from her that we should tax ourselves to the extent of a penny or half penny, as the case may be or as the second speaker stated, to the amount of some four or five millions of dollars a year! I do not think, Mr. President, that we surely expect this to carry. Another reason why I cannot support the resolution as drawn is that I claim the strength of the British Empire at the present time lies in that sentimental feeling that has been created and accentuated largely as the result of the Boer war, and that to enter into any bargaining dealings with the Mother Country we are apt to undo what has already been accomplished in this regard in strengthening the bonds with the Mother Country, and to create a feeling that was expressed by the late Sir John Macdonald in the case of friction, so much the worse for British connection, and so soon as you commence bargaining and dealing between the parts of the British Empire you are likely to create such a feeling. Another reason I have for supporting the amendment is that the questions of free trade and preferential tariffs are matters of politics in the Old Country, and it would be injurious to Canada if we should thrust ourselves in in a matter that is none of our business and take sides, as we will do, in suggesting that they should do away with free trade and give a preferential tariff and tax themselves for our support. I claim we will do ourselves much more harm than good by following the suggestion of the amendment. I hope that nothing will be done in this matter but what will meet with the hearty support of the whole country.

MR. ANDREW PATTULLO, M.P.P., Woodstock Board of Trade—The observations that have fallen from the gentleman who has just spoken seem to me to emphasize the wisdom of the suggestion made some time ago that before committing ourselves to any resolution, that the original resolution, and the various propositions that we have heard should be submitted to a select committee, so that what we do here to-day we will do wisely. A great deal depends on form as well as on the substance of the resolution. I do not desire to discuss the various propositions, but I may say that with the main purport of the original resolution I heartily concur; I believe that it represents Canadian public opinion, that is that we desire a preference in the British market if we can secure it, but unfortunately it is not we in Canada who have to solve this momentous question; it is the people of Great Britain, and we will never get that preference until we can convince the people of Great Britain that it is in their own interest, rather than in the interests of the Colonies, or as well as in the interests of the Colonies, if I may so put it, that they should give such a preference. Britain is already bearing enormous burdens for her Colonies, burdens so stupendous, that we wonder why the British people, the rich and the poor of them, continue to bear those burdens without asking the Colonies for something in the way of reciprocity in that regard, and she is adding enormously through the close of this war, and through the extraordinarily liberal terms which she has given to the Boers in South Africa, to the burdens of the Empire. That is a consideration we must take into account in discussing this question. We are asking that Great Britain give us a preference for our benefit, we are asking that our representatives in Britain make that request, and what will be the first question asked of them? We know this is going in the face of the policy of both of the great parties in Britain, and during the last few days the leaders of one of the great

parties in Britain have made it perfectly clear that they are opposed to the change of the fiscal policy of the Empire, and we must always remember in discussing this question, looking at the rapid transition of political parties in Britain, that that party may some time in the future be in power. Now, what is the wisest and best way for us to approach this question? The first question that British statesmen will ask of our representative is this: What are you prepared to do in return? Are you prepared to reconsider your fiscal policy for fiscal relations to the Empire? Now, I suggest that the delegates here should take up that point. That is the crux of the whole matter, and in any resolution that we pass here asking for a preference in the British market, we should also consider our willingness to consider the question of revising our fiscal policy in the interests of the Empire, in order to secure what we declare to be a great boon for the colonies. We must not evade that issue, we must answer that question fairly (Applause).

JOHN MCKAY, Sault Ste. Marie Board of Trade—I think we should be very careful in whatever resolution we might adopt here that it cannot be in any way construed or insinuated that we are asking a preference as the price of what we did for Great Britain in South Africa. (Hear, hear.) Further, I think we should have our hands free to either recede from or change the preference which we gave to the importation of goods from Great Britain. We are a young nation and simply starting— I think from a political standpoint, commercial standpoint, and from a customer's standpoint we are a nation, and we should keep that point clear and distinct. (Hear, hear.) I doubt very much whether we would obtain any important benefit from a preference in the British market. I do not like to press that point strongly, because of so many Boards of Trade having given great weight to that point, but take the Argentine Republic, our strong competitor in the British market in point of breadstuffs and so on, while we ship about \$10,000,000 worth of wheat, the Argentine Republic ship \$29,000,000; while we ship practically no wool, they ship \$1,709,000 worth; tallow, little or none from Canada, one million one hundred and sixty thousand pounds from the Argentine Republic. What has enabled the Argentine Republic within the last twenty years to spring into existence and become one of our foremost competitors? It has been British money. The British investor has \$1,500,000,000 in the Argentine Republic. Is not that what Canada wants? It is money and men we want, not markets. It is needless for me to advance arguments or enlarge on these ideas, because I am speaking to business men and you grasp the point. The mining industry of Canada needs money, not markets. The output of the mine does not go to the British market, but goes to the market of the United States, largely in a new form, and it is not the rich farmer of Manitoba that requires assistance, it is the men who are investing their money in one of probably the most speculative investments you can find, developing locations into mines. If you can build up the mining industry of Canada equal to, or within a percentage of that of the United States, you will develop Canada. The United States produces about one billion dollars' worth of products from the mines; we produce only about forty million dollars. When you get your mining industry going, it is like a stone rolling down a hill, it requires no assistance. The home market is an important market to Canada. If we can create a home market, that is ample. The United States did not go around looking for foreign markets until the last few years. The policy of the United States was to get men and money to develop her latent resources, the mineral resources, and at the same time to keep the agricultural resources advanced in line with these other interests, and, having those interests in view, I think it would be a mistake for us to give undue weight to the possibilities that might be open from the preference in British markets. I think the chances are so extremely small of getting this preference that we can make a mistake by advertising to the British nation that we cannot compete with the Argentine Republic or some other South American or South African nation. I think we would get more advantage if we got assistance along the lines of closer communication with the sources of British capital in various small ways, which on the surface might not indicate such great results. I think we will all agree that Canada has failed most woefully in the matter of getting English capital interested in Canadian enterprises, and if we could succeed in that

we would to a large extent secure, beyond all peradventure, a rapid and satisfactory development of the Dominion of Canada.

ROBERT MUNRO, Montreal Board of Trade—You will support me in saying that the amendment before us at the moment is the amendment from Stratford, and that the matter of the mining interests does not form any part of the resolution now before us, and we will have an opportunity of discussing that later. The general remarks of the last speaker, I must say, are quite in line with the last clause of the Montreal resolution which is before us. Let me, however, in a word or two, point out that the Stratford resolution does recognize the very thing which the Montreal motion suggests, that the present is an opportune time to advocate the extension of preferential trade within the Empire. That is the whole question, and that is what the Montreal resolution suggests. The paragraph beginning with the word "further" seems quite superfluous. The statement is made that there shall be no bargaining. Mr. President, I call your attention to the fact that while some of the resolutions on this paper contain such an idea, the resolution of the Montreal Board of Trade contains no such clause. There is no reference whatever to giving a quid pro quo because we gave preferential trade. We do not think that is the way to approach the British Government, and we do not go with hat in hand to the British Parliament, we go as a part of the Empire, and we suggest to our representatives in the Councils of the Empire what we think can best serve the interests of the Empire; therefore there is no hat in hand in the matter, and certainly we know that preferential trade can only be given by the voice of the English people when it can be done without sacrifice of British interests; but we have a right to tell them what in our view is in the interests of the Empire, and we have also to let our statesmen know when they come to confer on those matters what the opinion of the people of Canada is in regard to it, and what their ground is for the opinion. Therefore, I suggest that we confine ourselves to the consideration of the matters before us. It seems to me there is nothing at all in the resolution from Stratford which is contrary to that submitted by Montreal. In regard to our home market, all these resolutions aim at building up our own market by adding to our population, and creating a demand at home for our own products. We do not admit any weakness with regard to our interests. I submit the resolution from Stratford is not a fitting amendment to the Montreal resolution, because it already admits what the Montreal resolution contends for, that the present is an opportune time to advocate preferential trade. (Hear, hear).

JOHN RUSSELL, Winnipeg Board of Trade—I have very much pleasure in rising at this time to say a few words in connection with the question now before this assembly. It is no doubt one of the greatest questions that have ever arisen for consideration by any Conference or Board of Trade within the Dominion of Canada, and it is one to which we should give the most calm and deliberate consideration, and endeavor if possible to work it out on a plan that we would be prepared to recommend, and to endeavor to enforce and stand by. Whether we can do so at this Conference, whether there is sufficient time at our disposal or not, is a question that may possibly considerably affect the consideration of this question, embracing as it does not only the standing, possibly of the British Isles to-day, but of Canada and the other Colonies, and affects them much more seriously, probably, for the future than for the present time. If we look at the Isles as they are to-day, we find that they are considerably limited in extent, their population must necessarily be limited, and the place for the surplus population to find a home is in the Colonies. We have a territory sufficient to accommodate all the immigrants that can possibly come to us. We have some thirty-five millions in the British Isles. In the United States there are about eighty millions. What will they be in fifty years from to-day? What will they be in one hundred years? Can the British Isles hope to maintain the supremacy, both commercially and military, that they now possess, unless some means is developed for maintaining the connection with the colonies, and providing for her surplus population? To give you a slight indication of what we can do in the West to accommodate these, I will merely refer to what was done during the past year. We have in Manitoba alone about forty-five million acres, making allowance for lakes and poor land, sufficient first-class

arable land to produce upwards of five hundred million bushels of wheat. During the past year 36,000 farmers produced over fifty-million bushels of wheat, over eighty-five million bushels altogether of farm produce, and over \$40,000,000 in value. That will possibly seem extravagant, but they are official figures largely, almost exclusively, and when you take into consideration the enormous extent of territory west of Manitoba and north of Manitoba, you can see there is a power latent in Canada to assist the Empire, to assist the Isles to an enormous extent. It is stated here that if the policy outlined in this resolution were put in force it would stimulate trade and develop colonial enterprises. I do not think there is any question about that. By the unification of the Empire by this means of preferential trade we would unite and harmonize to a great extent all the conflicting interests. Great Britain possesses a natural source of almost all products that can be consumed, not only food products. As I have shown, we can produce all that can possibly be required by Great Britain, no odds what political or commercial combinations may be formed against her, her food products will be safe by union with the colonies, because in Canada alone we can supply all the grain and meat Britain could possibly require. We would also develop our coal and manufacturing industries to a great extent, by having production in its natural line and natural channels we would reduce the initial cost of production, and the initial cost of production to the consumer is an important point to consider, because it is very often very much increased by transportation and so on from the various points of production to the point of consumption. This unification of the Empire would largely develop the manufactures and the natural industries on their natural lines. I quite admit the necessity of getting capital into this country. We want capital, but we want men more (Hear, hear). We have a great deal of capital in this country. True, we have not got enough probably to develop the mines as they should be, but what have we got in men? We have a large number coming in, from all countries, particularly from the American side, but they are like a drop in the bucket, you put a million men there, and still they are almost lost, we have such illimitable resources, in fact so great that you can hardly conceive of the number which that country will yet support. Take from the Red River to the Rocky Mountains, from the 49th parallel northward and you will be able to put in not one million, or one hundred millions, but a great many more. (Applause).

W. J. FERGUSON, Stratford Board of Trade—Replying to the remark of the gentleman from the Montreal Board of Trade, who spoke of the Stratford resolution as not being at all inconsistent with theirs, would it not be wise and better then to incorporate it with theirs? The thought I specially have in connection with the Montreal Board of Trade resolution is that it is not of an Imperial nature, that it distinctly only has reference to Canada. If I understand it this Conference that is about to take place in London will be of an Imperial character.

MR. GEO. E. DRUMMOND—May I ask this gentleman to read the resolution before he condemns it as only speaking of Canada. It deals entirely with the Colonies, and there is no reference to Canada in any line of it.

MR. FERGUSON—Then I have failed to read it closely enough. However, Mr. President, I would like to further ask this. I don't think the British Empire owes Canada anything, and at least the nature of the request in connection with the Montreal Board of Trade as it stands at present is one certainly of alms-asking. I think that the voluntary system should not be lost sight of. We certainly will somewhat imply by this resolution that Great Britain is indebted to us in connection with our tariff arrangement, and in connection with anything we have done in South Africa. Great Britain certainly will be under the impression that we are looking now for some immediate return. I think it will be quite proper indeed to bring before the Conference the substance of the request, but I think it should be left entirely voluntary without any suggestion of a hard and fast agreement, and under those conditions I think we will not forfeit our manhood or the strength of our own Colony. There is ample opportunity during this discussion to impress upon the Conference the wisdom of drawing attention to our country, that it is a country of such vast

resources and in need of development, and that England will certainly add to her own strength by doing all she possibly can, but do not let us as a Colony ask from her any special favors in the sense that anything she may do for us will be against her own interests.

MR. G. S. CAMPBELL, Halifax Board of Trade—I rise to suggest a slight addition to the Montreal resolution. We have already decided, I understand, to incorporate the Toronto resolution with the Montreal resolution, and I think that is a very wise thing to do, because it gives a definiteness to the resolution which it seemed to me to lack before. That Toronto resolution simply asks that an enquiry should be made. As one gentleman has already said, there will be no solution of this question until it is thoroughly examined. Examination compromises no one, and if we can get a commission or a committee of experts, representing the Mother Land and the Colonies, to investigate this question, I think that would be one long step towards its solution. The addition which I suggest is this, to follow the Toronto resolution :

“And that the representatives of the other Colonies be asked to join in this request.”

I think those of us who were present at the London Congress two years ago thought a source of weakness in the Canadian presentation of the case was that we had not the other Colonies with us. I think we can readily see that if every Colony submits a different proposition on this question no great progress can possibly be made, and therefore it seems to me that in any action we take we should endeavor to get the representatives from the other Colonies with us. I think that if our representatives to the Congress in London would endeavor to get the Colonies together and agree upon some common ground in regard to this question it would facilitate matters very much indeed. I quite agree with what has been said here with regard to what this Conference puts down on paper. We are naturally apt to look at this subject too much from a Canadian standpoint, but we must remember that there can be no solution to this question which is not just as satisfactory to the Mother Land as it is to Canada and the rest of the Colonies.

MR. G. E. DRUMMOND, Montreal—I think we are all in harmony with the suggestion of Mr. Campbell, but I think there is no necessity for that amendment because it is pretty well provided for in the Toronto resolution, which says : “That the Prime Minister of Canada is hereby requested to urge, at the Imperial Conference, the securing of a royal commission.” What more can we add to that ?

MR. CAMPBELL, Halifax—My point was that it might be well for our representatives to consult with the representatives from the other Colonies in order to unite on some common action before approaching the Imperial Government.

MR. C. A. YOUNG, Winnipeg Grain Exchange—I do not wish to offer any objection to the main motion, in fact, I think the sentiment of it is generally approved by the Conference, but I regret that the whole matter is left in the form that it is. I quite agree with the remarks made by the gentleman from Owen Sound (Mr. Eaton); I think the agricultural products should be dealt with separately, and referred to more definitely. We must admit that any proposition coming from this Conference is to a great extent a recommendation to our representative, who is going to attend the Conference in London, and we have to show as clearly as possible that the propositions we make are reasonable and workable, and, sir, if he falls in with the views expressed here he will then endeavor to convince the representatives from the other Colonies and in Great Britain that our measure is reasonable. Supposing he convinces that Conference, that Conference will have to convince the Legislators of Great Britain that it is wise; they have to take action, and they will take such action as they feel will have the support of the electorate, so that, after all, the matter is a political one. Sir, I think it is our duty to try and make as strong a case as possible to present before the Imperial authorities, and anything that will tend to show our position, anything that will tend to show that a measure of preference is going to strengthen the Empire and build up the Colonies, will certainly be very necessary, and I think we should furnish all the evidence that we possibly can to show that in the building up

of the Colonies by way of preference or by any other means, we are going to build up the Empire. Coming as I do from Manitoba, where we produce so much wheat, I wish to confine my remarks more particularly to the effect of a preference in bread products, the effect that it will have on the Empire and Canada and the other Colonies, for, sir, I submit there is no surer way of building up the country, strengthening its defences, than by having prosperous loyal citizens within the Empire, (Hear, hear) and considering the fact that Great Britain has already put a tariff on her breadstuffs I think we should see if we cannot in some way strengthen our position and take advantage of that condition of things. I claim, sir, it is a little different with reference to the manufactures and other exports that the Colonies may send to Great Britain where there is no tariff already established; in this case there is a tariff, and I think it would be well for us to try and get alterations along that line that would help the Colonies. My friend Mr. Russell, from Winnipeg, President of the Board of Trade there, referred to some figures as to what we could do in the Colonies, and one gentleman said, one of the first questions that our representatives will be asked when they go over there is, "What are you prepared to do?" I want to say that we should be in a position to answer that question, and I want to say, if they give us that preference or any other encouragement, we are prepared to furnish the wheat products that are necessary to feed Great Britain. I want to say, Mr. Chairman, that I cannot quite agree with the mover of this resolution when he said that after fifteen years we could supply Great Britain. I wish to take off several years, and I think I can prove to this meeting that I am strictly within bounds when I make that statement. I see by looking up statistics that Great Britain, taking an average for the last six years, has imported annually something about one hundred and eighteen millions of bushels of wheat and flour, that is representing that quantity of wheat, of which the United States has furnished some 61 per cent., or one hundred and ten millions of bushels. I wish to make the statement, and I know I am reasonable in it, that, barring calamities, before 1905 Manitoba will be able to furnish as much wheat as is imported to-day by Great Britain from the United States and Canada. (Hear, hear, and applause.) I wish to submit to this meeting a few figures I have got up for that purpose. Mr. Russell referred to the fact that 36,000 farmers in Manitoba produced last year 50,000,000 bushels of wheat. That looks large and big, but I want to supplement the statement that gentleman made, and I want to say this, that in furnishing that 50,000,000 bushels of wheat they cultivated only 2,000,000 acres. Let us go a step further; that simply means these farmers produced that crop on less than 60 acres per farm. Now the average—and I am strictly within the mark when I say this—the average farm of Manitoba and the North-West contains 320 acres, and consequently the 36,000 farmers are occupying 11,000,000 acres of land, and consequently they are only cultivating, as far as the production of wheat for the immense crop of last year is concerned, less than one-fifth of their area. It is only reasonable to say that with any encouragement by way of preference we can double that, with the very same 36,000 farmers that we have there; but are we depending on them altogether? No, sir. I find that last year the emigration to Manitoba and the North-West was 50,000, and up to the present time this year, there are between thirty and thirty-five thousand people coming in to the North-West. Mind you, in that estimate I am not including a single man who may have contributed to the crop of last year, because the people that came in last year could not grow a crop in the same year they came in—it cannot be done—and, sir, these emigrants are coming in to-day in immense numbers, they are coming in under different conditions from those under which the early settlers came into that country. At that time they had no railways and could not produce grain at a profit. I can recollect when they considered it a hardship to have forty acres under cultivation at the end of three years, but these emigrants who are coming in are going to grow wheat as a business proposition, they are along the line of the railway. We have land along the line of the railways, I want to say along the line of the railways already built, to say nothing of the hundreds of miles that are being built this year. We have 42,000,000 acres of land within ten miles of those railways, of which there are at least 30,000,000 acres of first-class wheat land. Put one-half of that under

crop at twenty bushels to the acre, and what have we? I am making a reasonable statement, for I may say that the average crop for the last twenty years has been over nineteen bushels. Calculate that and what have you got? More wheat than they would consume in Great Britain in two years. Put a quarter of it under crop and you have an enormous quantity of wheat.

PRESIDENT AMES—I am sorry to say, Mr. Young, your time is up.

MR. P. B. DUMOULIN, Quebec Board of Trade—The important part for us in Canada, it seems to me, to consider is, what effect such a policy would have on our trade relations with United States: These trade relations are of paramount importance to us, as by the laws of nature it is self-evident that the trade relations of Canada and the United States must be removed considerably. Any scheme of Imperial preferential trade which must render more hostile the attitude of the United States Government in its commercial relations with Canada should be carefully avoided, unless it would be clear that Canada would reap greater benefit from such an arrangement than from closer trade relations with the United States. Referring to the statistical year book of Canada for 1900, page 197, we find that the value of our imports from the United States was \$170,000,000 in round figures against \$45,000,000 from Great Britain, and we exported to the United States \$68,000,000 against \$107,000,000 to Great Britain. It would seem at first sight that this state of things was pretty satisfactory to our present relations, and it would seem that if we wish to improve our relations we should rather turn our eyes towards our relations with the United States. I believe this idea has occurred to the Kingston Board of Trade in the third paragraph of their resolution.

“ And whereas such preference in favor of Great Britain must necessarily prejudice Canada's relations with other countries who may adopt retaliatory measures, Germany already having imposed a practically prohibitory duty upon our cereals.” From the figures you will see we trade more with the United States in spite of a barrier between the two countries, and in spite of the tariff. This, I think, shows that by nature we are bound to be friendly with the United States, or else if they retaliate against us, it might injure this country to a very large extent.

MR. C. K. HAGEDORN, Berlin Board of Trade—We have been told that British consumers would object to pay a large amount of duty for us on their food products and other things. If we can show the British Government that the various colonies can supply all the necessities of the British market, and also can convince the British Government to adopt a tariff in favor of the colonies, and the purchases are made from the colonies, where does the payment by the British consumer come in? I think he would then be perfectly exempt from this duty that we have been told he would object to pay. This gentleman from Manitoba (Mr. Young), told us of the large available acreage out there for the production of wheat. I think that should be a convincing argument that we in Canada can do a great deal towards supplying the British market so far as wheat is concerned, and if the other Colonies can possibly do something in that direction it is quite probable, if not at the present time, at least within a very few years, the colonies will be able to supply the British consumer, and according to this arrangement the British consumer would not have to pay any customs in purchasing from the Colonies. I do not see why we should not adopt this resolution as drawn by the Montreal Board of Trade, as it does not bind us down to any hard and fast proposition. We are not asking for so much percentage, we are simply putting forth the suggestion, and that is quite proper, of what we think would be of advantage to the whole Empire. We set before the Imperial Government the resources of the Colonies, and point out to them that if they keep purchasing from countries that are not her Colonies, they are simply building up nations that are antagonistic to them: (Hear, hear), and thereby working against the interest of the Empire by every dollar's worth of purchase they make outside the Empire. I think this idea of a preference within the Empire is correct. It will conduce to the establishment of a bond of union between the Colonies and the Fatherland—Motherland I should say possibly—I am not speaking in German, though I am of German descent, (Laughter), and that fact being established, I think there is no doubt but what all the men and all the money will come into

the Colonies required for the maintenance and for the development of our latent resources. We have any amount of resources in Canada and also in the other newer Colonies within the Empire, and I say by all means impress upon the Englishman the necessity of investing his money in the Empire, and thereby strengthening himself, strengthening the Imperial Government and the Imperialistic idea. In the past British financiers have gone outside the Empire to invest their money, and I suppose in a great many cases they have done so through lack of knowledge. I dare say the people of England to-day do not know what this Canada of ours can supply in products of all kinds, and our Conference which will be held after the Coronation will no doubt open the eyes of the great many of them to the vast resources we have, and also the vast resources of the other Colonies, and for that reason I am glad to support this resolution of the Montreal Board of Trade, as I do not think there is anything in it that shows we are asking alms. We are simply making a proposition that is in my opinion for the best interests of the Empire. It keeps the money and brains within the Empire for the development of the Empire by the Empire's people. (Applause).

MR. D. R. WILKIE, Toronto Board of Trade—The whole question of preferential trade is bound up with the question of defence of our own shores and of our own lines of communication. I am not going to drag in the question of Imperial defence, I leave that out of the question entirely, but what is the use of our trade unless we can protect it—protect it from ocean to ocean, and from sea to sea, and from land to land? We must have a protection for our trade or we cannot have trade. That is how the whole African war has been brought about, by the effort of the burghers to destroy the influence of the European citizen by not giving him a vote in managing the affairs of the nation. It was to that that England objected, and all this immense waste of blood and money is the result of want of proper protection to trade in Cape Colony during the last fifty years. I do not think we have any right to ask England to give us a preference unless we are prepared to protect our own trade, and I am going to ask your permission, sir, to insert two or three amendments in this proposed resolution. I should like to see the following inserted:

"And whereas the time has arrived when, in the opinion of this Conference, Canada must assume the responsibility for the defence of her territory and of her great commercial interests."

MR. DUMBLE, Peterborough—I rise to a point of order. This gentleman is getting outside the question altogether, and getting into a field unlimited.

MR. WILKIE—I will wait until corrected by the Chair. That is my suggestion, that the question of defence is bound up with the question of trade. Then I want to substitute for the fifth clause of the Montreal resolution, the first clause of the Toronto resolution, which reads:

"Whereas this Conference of Boards of Trade of the Dominion of Canada is strongly of the opinion that reciprocal preferential trade within the Empire would materially benefit every part, by directing emigration towards British territories, by tending to secure the food of the Empire within its own borders, by stimulating better transportation facilities, by bettering the market for British manufacturers, and otherwise."

My third suggestion is:

"Therefore, be it resolved: That the Prime Minister of Canada be requested to urge at the Imperial Conference the imposition of a differential duty at all ports of the Empire, against foreign goods, which would bring about all the advantages above mentioned, and would assist each part of the Empire in providing the funds necessary for its own defence."

We have heard all the way through of preferential duty, I think it is a very objectionable word. We are asking for something as a favor, whereas we ought to come out boldly and say we want a differential duty, not a preferential duty, for ourselves—that is taking a most abject position—but let us ask for a differential duty against the goods of the foreigners, then England will understand what we are really asking for. The gentleman from Winnipeg (Mr. Young) has told us how confident he is that Manitoba will supply all food products, so far as wheat and

other important articles of food are concerned, and I have every confidence that they can do so, in fact, sir, it is Manitoba which has placed this Dominion in a position to-day to demand the attention of the Imperial Conference on trade. (Hear, hear.) I am prepared to recognize Manitoba according to the expression invented by Lord Dufferin, as the "bull's eye" of the Dominion, and we are grateful to her for the strength she has given this great Dominion, in placing us in a position to demand the attention of the makers of the fiscal policy for the Empire.

MR. HATHEWAY, St. John—Will you define the difference between preferential and differential?

MR. WILKIE—You cannot have a preference in free trade; if Great Britain has no duty, how can she give a preference?

MR. HATHEWAY—She has a duty.

MR. WILKIE—It was a war measure. Cattle are free, lumber is free, wool is free, and there are hundreds of articles entering Great Britain free of duty, so how can there be a preference where there is no duty? The thing is absurd. We must put ourselves on record as asking for what we really want, namely, a differential duty against the foreigners. So far as the remarks of Mr. Dumoulin are concerned, I do not think we need fear any further retaliation on the part of the United States. They have done their very best. (Hear, hear.) They have exercised every influence known to shrewd politicians to force us into a position that we refuse to occupy, and I do not think we need fear any policy or any efforts on their part. In fact, on the other hand, what I fear most is, that the United States, seeing our independence of them, will endeavor to bring us around by a free trade or reciprocal bribe. I hope that we will be strong enough to resist when it comes, but come it will. The trade of the Northwest—Manitoba, British Columbia—would, under such conditions, go to St. Paul and Minneapolis, and we in Toronto, Montreal, Halifax and St. John would be out of it. We need have no fear of the United States retaliating against us. Their next form of retaliation will be to offer reciprocity. I would like to know, sir, your ruling on this point, as some gentleman called me to order. I contend that the question of the protection of the lines of communication, the protection of trade, is just as important a matter as the creation of the trade itself. We cannot have one without the other. I am not asking any gentleman to commit himself to a policy of Imperial protection. Let that come when the occasion arises; but surely we must protect our own shores and our own ships, and why should we not show our willingness to do so instead of being dependent on the Motherland?

PRESIDENT AMES—On the point of order, I think that this is the position, Mr. Wilkie: The question of trade is undoubtedly bound up with the question of defence. The question of trade, however, is bound up with other questions, and I know that the Committee on Resolutions of the Toronto Board in considering the two felt that it would be wiser to discuss the question of trade as a major proposition, and discuss the question of defence as a major proposition. (Hear, hear.) That was thought out, and I think that has been concurred in by the actions of the other Boards. I would therefore rule in favor of Mr. Dumble's point of order.

MR. WILKIE—Having moved that way I beg to move the other amendment. It would no doubt facilitate matters very much if a committee were formed to draft into one resolution the various ideas which have met with the favor of the Conference.

MR. DRUMMOND—Might I point out to Mr. Wilkie, I think the Montreal resolution simply asks for a preference in the markets of England, and it may be given either by preferential or differential duties, I don't care which.

MR. J. D. ALLAN, Chairman of the Management Committee, Toronto Board of Trade—The hour of noon adjournment has arrived, and it is very apparent from the interest that is being taken in the discussion that we are going to be considerably hampered for time. It was not the intention of the Toronto Board to work the visiting delegates too hard, but I presume they will all agree they came here for business, and I would suggest that we have an evening session to-night to begin at eight o'clock, if that is agreeable to the gentlemen of the Convention.

MR. ALLAN's suggestion to hold an evening session was agreed to unanimously.

The Conference adjourned at 1 p.m. to 2.30 p.m.

WEDNESDAY AFTERNOON.

The Conference resumed at 2.30.

PRESIDENT AMES—When we arose for luncheon we had under discussion the questions of trade relations within the Empire. Another question was suggested that a clause covering the question of defence to some extent be included, and it was ruled that the question of defence should be left for separate consideration. We have, therefore, the remaining portions of Mr. Wilkie's amendment, which has not been seconded, the amendment moved by Mr. McLagan, and the motion moved by Mr. Drummond,

MR. C. B. WATTS, of Toronto, seconded the amendment to the amendment.

MR. PERRAULT, Gaspé—This last amendment to the amendment is a desire that a duty be imposed in all ports of the British Empire to provide for Imperial defence.

MR. [Name obscured], Toronto—Excuse me, sir, I may correct you right off. It is most carefully worded so as not to convey that very idea, and to disabuse the minds of those who I was afraid might be opposed to Imperial defence. Under this resolution each part of the Empire would provide for its own defence. The idea is not to provide a central fund to be administered by anybody; we administer our own moneys, our own revenues, and we provide for our own defence, and I do not think any man wants to be dependent for his own defence upon a father or a mother; he should defend himself.

THE PRESIDENT—I think, however, that that point is raised, and in view of the decision this morning, the question of defence must be left out of the resolution now under consideration under this heading. A separate heading is provided for that later on, and I have no doubt we will have a full discussion.

MR. WILKIE—I beg of you to re-consider that for this reason: we do not want a discussion here that is going to arouse any feelings, and I am confident if we do not incorporate the one with the other we will have that discussion, and I am anxious to avoid it.

THE PRESIDENT—I must rule that out of order, Mr. Wilkie, because the scheme of the Management Committee arranging for the Conference, as endorsed by the Conference, provides that we shall discuss it, so it is taken out of our hands for the present.

MR. WILKIE—Then, I will withdraw all my amendments.

MR. PERRAULT, Gaspé—The amendment of this gentleman from Stratford conveys the idea that we are going to England hat in hand to ask a protection so as to be able to keep our own ground in the markets of Great Britain. This is not a new question, it is a question that has been before the different Boards and before the united Boards of the Empire in London for the last ten years, in fact ten years ago I had the honor of presenting that resolution of preferential trade which was proposed by Mr. Charles Tupper, and at that time we were then hat in hand, and we had that humiliating demeanor before the different British Boards of Trade that were there, and we pressed that question in 1892, and had a discussion there for a day and a half, and had a large support of about forty different Chambers of Commerce in favor of that way of seeing things, although the majority were against it. The conditions are entirely changed. At that time Great Britain could not listen to anything in the shape of protection; on the contrary, to-day the British Government have come before Parliament and proposed a duty on food products, and we in Canada believe in exchange for that 33 per cent. we have given on imports, we should be allowed five or six per cent., which would correspond to the duty which is now imposed on food products. We believe, sir, that Canada is to be in the near future the Greater Britain; we believe that if the Imperial Parliament understand their interests for the future they will see that Canada obtains its position, its population and its wealth and its

power in the nearest possible future; we believe, sir, that whenever Canada increases in wealth and in power the Empire will be benefited by that increase, and when we go to England to make a fair proposition we go there as business men. We do not go there to exact what is not fair. We say to these gentlemen: "We give you thirty-three per cent., give us five or six per cent., whatever it is, on wheat and food productions which we can sell to the British Empire." As was well said by our friend from Manitoba, we have in our West the wheatfields of the world, which will in so many years be the great source where those who have no bread will find it at a cheap rate. The future of Canada is such that we will rival the United States to a certain extent in this way. We will have our fifty millions there in our great northern country, and then, sir, I wish to know if Canada, with its fifty millions, will not be a support to the British Empire? I wish to know whether those little Islands that possess all those territories that we see on the maps of the British Empire, have not attained to-day the highest power they can get, if they do not depend on the colonial resources to extend that power, and if Australia and Canada and South Africa are not to be the Greater Britains of the future? Sir, when we go there and ask those gentlemen to give us a small preference so that we may sell our wheat and food products to the British people in preference to those who are unfriendly to Great Britain, why should they look upon us as having a policy which should not be adopted? Why, sir, the Government of this country to-day is going there for that purpose; we are met here precisely to support the position which the Prime Minister of Canada is to take in the Conference in London. He has told us in parliament that he is going there to ask that closer commercial relations should exist between the Mother Country and the Colonies, and how can those closer relations exist otherwise than by mutual preference? We have not hesitated to give thirty-three per cent., although our wool manufacturers are suffering by it, and why should not Great Britain allow a paltry five cents a hundredweight on our wheat and other cereals so as to give us a small preference, and make just that little advance of price which will allow us to sell our products in Great Britain in competition with Russia and the other countries which are not always friendly to Great Britain? I say, sir, the position that we take on this question in the Province of Quebec is unanimous, and we say that if we are subjects of Great Britain, if we are subjects of the Government of England, if we are subject to be at any moment attacked as part of the Empire, and if we are subject to go to the field of battle and defend that flag, the least Great Britain can do is to return the compliment and give us a preference when we go there with goods of first quality. We say we ought to have a preference, instead of buying goods from foreign nations which are hostile to Great Britain. That is the position we take in the Province of Quebec, and there are no two opinions about it. If we wait till Great Britain gives a preference, and do not ask for it, we will wait a long time. Sir, it is the policy of Great Britain to develop Canada. What would be the result to the Empire if that trouble with the United States had not taken place one hundred years ago? Do you mean to say that if to-day the United States were part of the Empire that the Empire would not benefit by it? Why the Empire would be twice as powerful as it is to-day. The future of Canada is quite equal to that of the United States, and in fifty years we will have our millions here, and I say those millions will be a power for Great Britain, and I say Great Britain cannot keep her position as a leading nation among the European nations unless she supports her Colonies, unless she makes these nations like herself, and unless we have the power, and people and wealth and everything else, to take part in the future history of Great Britain. That is the position we take, and I am surprised there should be some opinions different from that. The resolution prepared by the Montreal Board of Trade meets the case exactly, and I think we ought to be unanimous in adopting that resolution. We, the Chamber of Commerce of Montreal, presented that resolution to the meetings of the Chambers of Commerce of the Empire in 1892, we discussed it there fully, and we still stand by that resolution, which was originated in our Board, and we are proud of it, because it is one policy for not only Canada but for Australia, and I hope for all the British Empire. (Applause).

D. W. DUMBLE, Peterborough Board of Trade—I notice in reading the Quebec resolutions there seems to be a unanimity in reference to that little preferential duty that was given to England in her trade with Canada. I am sorry to see any reference to it, I am sorry to hear my friend suggesting it as a reason why we should go there and bargain. If we present such a reason Englishmen will say, "Now, we understand the reason for the milk in the cocoanut, that was a little sprat thrown in to catch a whale." I would be sorry to present such a thing. What Sir Wilfred Laurier did was apparently a gracious thing which has brought excellent results in trade, and in good will, and we have got our reward; but to suggest it as a factor in a contract I think we ought not to mention it at all. In reference to going to England with a trade policy and almost demanding free trade, I think we will have to make haste slowly. We must not consider we are all here of one opinion, nor that the country is of one opinion. This is a huge question which cannot be settled by any Chamber of Commerce in any Colony. It has got to be settled by bringing the English people to realize that we are commercially right as a matter of political economy, and in no other way, and the only way to accomplish that is by an exhaustive commission which will be able to demonstrate to the English people that as a matter of cold financial trade they can afford to give their Colonies a preference, because it will not only pay the Colony, but pay them financially. I think the Montreal resolution meets the case, and I think when you present that resolution and ask for a commission, the English people cannot graciously refuse you a commission; but if, without asking for a commission, you try to enforce upon them your views of trade as a political dogma, you will talk to a stone wall. I believe, as prudent business men, in trying to get in the small edge of the wedge, and when you have stated your position, which you believe to be sound, the most modest thing you can do is simply to ask for an investigation, and if that investigation results in educating the English people, we will get our desires, and not till then.

MR. D. MASSON, President La Chambre de Commerce, Montreal—As President of La Chambre de Commerce I am glad to have the privilege of listening to the very interesting discussion which has taken place this morning, and hope it will be continued for some time. The members of this Conference have given their various and valuable views respecting the question of the differential and preferential duty. I am in favor of the combination of the resolution of the Montreal Board of Trade with that of the Toronto Board of Trade.

MR. THOMAS CONLON, Thorold Board of Trade—I am opposed to the whole principle of the resolution, I am opposed to all resolutions now before this Conference that ask the people of England to tax themselves for our benefit, and I am opposed to asking the people of this country to be taxed for England's benefit. I would tear up all the resolutions we have bearing on that subject, and I would simply pass a resolution requesting Sir Wilfred Laurier when he goes to the Coronation to pursue the same policy he pursued at the Jubilee. He there, without being asked, voluntarily gave the British people a preference of 33½%. That was not only a generous offer, but it was a matter of good policy. We all know the results; every eye in England was immediately turned towards this country, and they said, "Those are the people we want to trade with, they don't come asking small favors, they are willing to come and treat on our terms." We all know the beneficial results that have accrued to Canada. The people behind this resolution want Sir Wilfred Laurier to go over there and introduce a new policy, they want him to ask Mr. Chamberlain to tax the people in England for our benefit—that is practically what it means—let in our grain free but tax the other fellows. I believe Mr. Wilkie's contention was right; if they tax themselves for our benefit they have certainly a right to ask us to tax ourselves for their benefit, and to help to keep up their navy. Consequently, assuming the proposition is accepted, what would the natural results be? The English people would be taxed a penny on their loaf, the people of Montreal and Toronto would be taxed twenty-five to fifty cents per ton on their coal, over and above what they are paying now, to say nothing of other articles. The result would be the Englishmen would be cursing the colonists and the colonists would be cursing the Englishmen.

(Laughter.) Those good people from Montreal have not said who was going to get the benefit of this preference. My candid opinion is that Mr. J. P. Morgan, or some other shareholder, will be laughing in his sleeve at the preference, while his ships will be carrying off the whole thing. Those people, I presume, suppose that the farmers of this country will get the benefit. I simply give you my opinion, and my opinion is that the steamships will get the benefit of the preference, and the people will be taxed. Simply let Sir Wilfrid Laurier do what he did before, let him say to the English people: "We want to trade with you, we are perfectly satisfied you are treating us fairly, you are giving us the same terms you are giving other people, and we have no right to ask you for anything better." That kind of policy will bring us the good will and good feeling of the people of England. That is what we want, and that is the way to bring about trade, not by dickering. "You tax your people for me, and I will tax my people for you." That kind of policy may do all right in Europe, but it will not do here. The people are not very likely to have their imports taxed to keep up the British Government, and the English people are not going to pay a penny on their loaf in order to please the colonists. The result will be the direct opposite of what we have now. I again contend that the policy introduced by Sir Wilfrid Laurier is the true policy of this country. I simply give you those two little ideas as they appear to me, and I would strongly ask this Conference not to go too far in this matter. The last paragraph of the resolution of the Toronto Board to appoint a commission may be all right enough. I think it would, but do not place our Government in the humiliating position of going over there and asking Mr. Chamberlain to dicker with us about putting a little tax on his people for our benefit, and a little tax on our people for his benefit. It is selfish and humiliating, and as a member of this Conference I would earnestly ask our Premier not to place himself or his Government in any such position.

The second preference given by Great Britain to Canada was the question of grain. In 1826 the Corn Laws were inaugurated, which practically prohibited the importation of grain into Great Britain. In 1842 those Corn Laws were changed so far as Canada was concerned; and the duty was reduced from five shillings a quarter to one shilling a quarter. I want to point this out to show we should be careful in considering this question to see we do not become the football of the parties of Great Britain. What was the result in 1842 of the reduction? All through Canada there was a great building of mills, so that the grain of the United States could be imported into Canada and ground here and sent under the preference to Great Britain. I am not old enough to remember the result when this was abrogated, when Cobden brought in his law in 1846, but it is a matter of history that when this law was brought forward there were great riots in Montreal resulting in the burning of the Customs House there.

Our friend from Winnipeg has brought out in a careful and exact manner the possibilities of Canada supplying the grain for England. May I be allowed to say that I think this would be a source of great weakness for the British Empire if it should ever result in Canada ever being in a position to supply the whole of the grain. Great Britain's strength now lies in the fact that she imports her grain from different parts of the world, from Argentines, Russia, India, United States, Canada. We all know that the man who sells is a great deal more anxious to sell than the other man is to buy, and the man who sells is responsible for the delivery of his goods. If Great Britain were to depend on Canada if there was a war all the nation that was at war with England would have to do would be to cut off the supply from Canada; but when England is now depending upon all parts of the world for her supplies, a nation at war with her would have to cut off all the sources of supply, and it is inconceivable there should be a union of nations sufficient to cut off supplies from all sources. We cannot conceive that Germany, Russia and the United States would join together to cut off supplies from Great Britain. What would the result be, supposing there was a war with Russia and the United States was asked to join? The United States would say: "This is our grain, we are not going to destroy the whole of our western states by preventing a supply of grain to England. Then, it has been pointed out that Canada has given a preference to

Great Britain; and so she has. But what do we find as the result of that preference? We find in 1885 Canada bought from Great Britain 40 per cent., and from the United States 45 per cent.; in 1895, from Great Britain 29 per cent., from the United States 51 per cent.; in 1898, from Great Britain 25 per cent., from the United States 60 per cent.; 1899, from Great Britain 24 per cent., from the United States 60 per cent. We see, therefore, that in spite of a preference of 33½ per cent., the proportion of trade which we have been doing in the way of purchasing from Great Britain has been decreasing, while that with the United States has been increasing. I could go on to show that the duties collected have been greater proportionately on those goods coming from Great Britain than from the United States. I find myself in the position that I am not able to vote for either the motion or for the amendment, and I think some other motion should be brought forward urging upon Sir Wilfrid Laurier the consideration of this question in all its bearings, and it should not go forward from this Conference that we are committed to preferential trade. I have a resolution here which I would suggest as an amendment to the amendment. It may be said that it is very non-committal; it is adopting the Toronto Board resolution proper, leaving out the preamble and stopping at their suggestion:

"Be it resolved: That the Prime Minister of Canada be requested to urge at the Imperial Conference the securing of a Royal Commission composed of representatives from Great Britain and the Colonies to investigate the steps to increase the trade of the Empire."

MR. A. E. KEMP, M.P., Toronto—It is very difficult in discussing the question of preferential trade to say anything by which one may not traverse the ground already gone over many times, especially here in this City of Toronto. The discussion on this question here to-day has been lengthened, it seems to me, by the fact that there have been so many resolutions, and we have not been dealing so much with the merits of the question as in objecting to this thing and the other thing. I take it the Montreal resolution will be accepted with the part of the Toronto resolution tacked on to it. Permit me to say I do not see the necessity of reciting facts; in making addresses members are at liberty to recite any number of facts, but it seems to me unnecessary to recite facts that people are familiar with. I was glad the Winnipeg members put their case in such a way that the Conference could agree with them. Mr. Bell of Winnipeg raised a very important question with reference to the wheat output of the North West, and in this connection let me say that I noticed a short time ago that the railroads of the United States had recently reduced the railway freight rates on flour to the same basis as wheat, and I submit to our friends from the North West that until the time comes when our railways in Canada will deal with the matter in such a broad spirited manner we will not become a milling country, but I hope the time will not come when it will be possible for the Americans to take Canadian wheat, grind it in bond, and send it out of their country, getting the labor on it. That is what will happen unless a proper policy is pursued, and I am sorry that no resolution bearing on that subject is before the Congress. The question of preferential trade has been very often discussed, and more discussed in this country than in any other part of the Empire, because I noticed in London the delegates from Australia and from New Zealand were not posted on this question so well as the delegates from Canada were. It is not a theoretical question, and we must look at it from a broadminded standpoint. We do not want to be put in the position, as a great many members of this Conference have stated, of supplicating the British people and asking something from them for which we are not going to give any return, and I agree with my friend, Mr. Wilkie, when he stated there were other questions which were intimately connected with this question, which we should have the courage to face. There is no chance of our people in Canada, from one end of the country to the other, disagreeing with each other in regard to commercial questions, because the country is bound together, each portion trading with the other, the West with the East, Quebec with Ontario, and Ontario with Quebec, Nova Scotia and New Brunswick—we are all bound together as a commercial union, and we might as well, as commercial men, be willing to discuss these questions on their

merits, and no matter what our differences of opinion may be there is no harm in considering them. The question of defence is one that is going to be discussed under a separate heading. It is opportune now to again review these questions, because of the new conditions which have been brought about through the war in South Africa. I think it would be well if we could discuss this question in a way that would show to Great Britain we were in sympathy with her, and are willing to assume our share of our own protection—mind you, I do not say we should in any sense delegate our powers to the British people. I think we should show the British people that the whole Empire is prepared to stand together in matters of trade, because that is what is going to hold this Empire together, and unless we make some different arrangement in future with respect to trade than in the last 50 years—not saying the conditions in the last 50 years have not suited the time—I cannot see how the Empire will hold together. It has been said here, and properly so, that it seemed inconsistent that we should ask a preference, or that we should be prepared to talk about preferential trade while we were absolutely and to all intents and purposes a protectionist country. The situation in reference to that particular point is this, to my mind: that we should be willing in this country to give Britain a preference on all commodities which her competitors produce, but which we are not prepared to produce. We, I take it, are not willing to jeopardize the interests of this country in respect of this preferential trade; it would be of no possible advantage to Great Britain to weaken this country in order to strengthen a few people in Yorkshire, England. If we can strengthen this country it will be that much stronger as a member of the British Empire, and, therefore in discussing this question we have that question always before us, and there are a great many commodities which though there might be a Canadian duty imposed, we might give such a preference as will enable us to get those commodities from Great Britain, although a portion of them might be manufactured in Canada. Take the woollen trade. We bring in ten millions of woollen goods into this country yearly; we cannot expect to produce every dollar's worth of woollen goods. If by any means whatever our tariff should be so changed as it would alter the imports of woollen goods so that we would produce of the ten millions two or three or four or five millions more, no doubt Great Britain would receive the advantage with respect to those over Germany and other nations. So with regard to other commodities. The only way we should shut out these commodities would be by a prohibitive tariff, and that will never be put into effect. In regard to the matter of trade and sentiment we must acknowledge that if there were not a great deal of sentiment entering into this question we would not be here discussing this question to-day. It would have been a far easier thing for us some few years ago to have made a preferential arrangement with the United States than it is to-day to make it with Great Britain, because of the fiscal policy of Great Britain. It was argued in this country some number of years ago that it might be in the interests of Canada to have reciprocity with the United States, perhaps to have unrestricted reciprocity, but sentimentally we turned our faces from them, although geographically it was to our interest to make it; therefore, sentiment does enter into it, and because we are sentimentally connected with great Britain and with the British Empire we are here discussing these matters to-day, and it is certainly a question well worth discussing whether by any means this country can improve her position by putting herself in closer touch with the four hundred millions of people of the British Empire.

MR. E. A. DOOLITTLE, Orillia Board of Trade—I will not go lengthily into this question, although it is a very great one, as is evidenced by the very many resolutions submitted. You will notice that we submit one, and in submitting that I have to state that we look upon this matter in the particular sense of our being one of the great Colonies of the British Empire, we do not think of Canada merely, but of the Empire, and in looking at the question in that way we eliminate any questions of special and local interest. I therefore must say I will have much pleasure in supporting the main resolution.

MR. GEO. E. DRUMMOND—I did not intend to say anything in this discussion after the remarks of so many able men who are very well posted on this question, but there was a remark made by one of the speakers that I cannot let pass without criticism, namely, that the preferential reduction of 3; } per cent. was approved by

everybody in Canada. I absolutely deny that statement, and there are gentlemen who will absolutely differ in opinion with that gentleman. I believe if you were to take a vote on that question right here you would find there would be very few of his opinion. That preferential tariff has affected a great many industries in this country, in fact has knocked out some of them altogether, not many, but it has had that effect with some industries in this country. That gentleman made a big mistake in making that declaration in the presence of a body like this. I do not believe that business can be increased through sympathy and all this nonsense. If you have got a bushel of potatoes to sell for fifty cents, and if I can buy from the other man for forty cents I will buy from him. I am in favor of the motion presented by the Board of Trade of Montreal.

MR. C. A. YOUNG, Winnipeg Grain Exchange—Are all these other resolutions on the program disposed of when the Montreal Board of Trade resolution is disposed of? If so, I will have to move an amendment.

PRESIDENT AMES—It was arranged this morning that the resolution of the Kingston Board, which deals with the question of discrimination by Germany, should come up as a separate resolution. That resolution will be taken up next.

MR. YOUNG—It seems scarcely fair that one resolution should be allowed to be considered and the other resolutions of equal importance left out. I would like to move as an amendment that the resolution of the Winnipeg Grain and Produce Exchange be added to the Montreal resolution, and in doing so I would just like to state that, while some of the gentlemen who have spoken on this matter have said we are asking the people of Great Britain to tax themselves, I contend that so far as the food products are concerned there is a tax on them already, and this proposed preference will have the effect of taking that taxation off instead of adding to it. If it were possible to deal with this matter separately, I would not move it as an amendment. The principle that is involved in the general motion I heartily concur in, but when you get down to details I think we should deal with the motions separately. I would move that this be added to the main resolution:

"Whereas Great Britain has placed an import duty on agricultural products from her Colonies, as well as from other countries; and whereas the building up of the Colonies is the surest and best means of strengthening the Empire; and whereas the volume of immigration to and development of the Colonies (and of Canada especially) largely depends on the encouragement given to develop their agricultural resources,

"Be it resolved: That this Conference requests the Hon. Sir Wilfrid Laurier, Premier of Canada, to urge most strongly upon the Government of Great Britain the extreme advisability of arranging the import duty on agricultural produce into Great Britain, so that a preference be given to the said products imported from Canada and other Colonies, as against the importations from foreign countries."

MR. DUMBLE, Peterborough—I rise to a point of order; I think the Montreal resolution covers the ground exactly; it does not limit it to agricultural products, but it covers the ground.

MR. YOUNG, Winnipeg—My friend here does not seem to realize what I am trying to point out, that this is something definite for agricultural products. Now, sir, if you will allow me just for a moment, I was pointing out the development of the North West when my time expired previously, and I want to add that apart from the figures I gave you this morning I have in my hand here a telegram from the department at Ottawa which shows me that there have been over 14,000 homesteads granted since the spring of 1901, consequently there is one-third more of farming population added to our population in the North West by homesteads alone, to say nothing of the two millions of acres of land that have been sold by the Canadian Pacific Railway and the Hudson Bay Company, and the local government. I want to point out these facts, because I find there seems to be a want of that sort of information among gentlemen in the East.

MR. C. N. BELL, Winnipeg Board of Trade—I regret very much that the ruling of the Chair has excluded us from bringing to a fair issue at this Conference the thing that interests the country west of Lake Superior to the Rocky Mountains so much. It also interests the manufacturers of Ontario, because it determines how

much their manufactures will be used. If there was an understanding, which we certainly did not understand, this morning, I think it would be but fair to re-open this question to allow us to bring this up for a separate vote on its own merits. The general preferential resolution moved by the Montreal Board of Trade I think is agreed to by all the western delegates, but the ruling prevents us from supporting that because we have to vote on an amendment to get a specific case brought before the Convention. The general resolution deals with matters to be taken up in the future, but we wish to deal with a matter that is before us and before the Empire to-day. Great Britain has put a duty on wheat, and we want this to apply to foreigners if we can supply her with all the breadstuffs she requires for consumption. We have come a very long way to attend this Convention, and the ruling of the chair defeats a very large amount of usefulness which we hoped to be able to give to the Convention. Let me say we have before the Winnipeg Board of Trade and Winnipeg Grain Exchange to-day an invitation to go to another Convention when we leave this to consider the whole question as to reciprocity in agricultural products between the United States and Canada. We do not want to ship our wheat to the United States to be more or less ground there; we do not want to ship our wheat through the United States channels. If we cannot manufacture it in Manitoba we want you to do it in Eastern Canada, and if you cannot do it let it be done in Great Britain. We want an arrangement made so that the Englishman will see it is to his advantage either to buy our flour or to buy our wheat and make flour himself. That is entirely different from the general preference question which we want to support. I would like to see this matter brought up as a separate motion. I would like to hear from the Montreal Board or some other Boards of Trade.

MR. G. E. DRUMMOND—I think the original motion is broad enough to cover the Winnipeg resolution; still, we do feel with the Winnipeg gentlemen that the time is opportune to speak specially and specifically with regard to grain, and if we affirm the Montreal resolution with the last clause of the Toronto resolution added, we would like to be afforded an opportunity to discuss the Winnipeg resolution separately.

MR. M. C. ELLIS, Toronto Board of Trade—I am sure one cannot help but be very much impressed with the remarks of the Winnipeg gentlemen in reference to their resolution, and I am quite sure that all the delegates here wish to take hold of the great opportunity which has presented itself to us in getting preference for our agricultural products in the English market. Canada to-day stands in an irresistible position; she stands in a position which no other colony stands in, of having given a preference to Great Britain voluntarily, and, therefore, she has a strong and presumptive right in going before the Conference at London and asking for a consideration of the present duties which have been imposed by Great Britain on wheat and flour. What is the position? England, by taxing wheat and flour, is in the position that if she does not give the Colonies a preference she is really taxing the Colonies, which have given their men for her armies in South Africa, and taxing Canada very heavily indeed. I think this is a very awkward imputation, and I rather think that in the imposition of the duties upon wheat and flour there has been some underlying motive, and that now is the time of our opportunity, and upon this special question we should not on any account lose the great opportunity which is now before us. I am quite sure it is the sense of the gentlemen present here that we should give due prominence to the point raised by the Winnipeg members.

PRESIDENT AMES—With your permission I will withdraw the ruling made by the Chair this morning, and simply put to you whether you desire to have the Winnipeg resolution dealt with as a main resolution.

MR. DONNELLY, Kingston—Will you allow me to state that we are so much in sympathy with the contention of the Winnipeg gentlemen that if they will notice our subsequent resolution printed in this programme they will see it entirely covers the point they are bringing forward; but the reason why we on the outside not being so particularly interested in the grain trade join hand in hand with this Montreal

resolution accompanied by the clause from the Toronto resolution is that we believe that it is so general in its terms that it must be acceptable to every part of this Conference here present. It simply states that we are in favor of approaching Great Britain to ask them for a preference on behalf of the Colonies. I do not take it, sir, that we are so far apart from even my friend Mr. Conlon. He says we want trade with Great Britain, and we only differ a little as to how to bring that about, and we can leave that question entirely in the hands of this Conference which will shortly meet in Great Britain. It must be patent to every one that there must be some subsequent action taken after that Conference comes to a conclusion or decision as to what is best. They must lay that matter before the Imperial Government, the Colonies must take action themselves on these questions, and, therefore, I cannot see that we could do anything better at this stage than pass this general resolution, and I cannot see that it is inconsistent to pass any subsequent resolution printed on this programme which may point out specifically any product.

It was agreed that the Winnipeg resolution should be taken up as a separate resolution, and on this understanding Mr. Young withdrew his amendment.

MR. CHOWN, Kingston—I should like to bring up two or three facts that have not been brought out in the course of the debate on this question. This is not the first preference that has been discussed between England and the Colonies. Before the War of 1812, and during the continuance of it, England, in order to help her navy, put a duty on all lumber—especially aimed at the Baltic ports—coming into Great Britain. Then she gave Canada a preference, and exempted her from the operation of this duty. The result was there was a great increase of trade from Canada, which continued up to 1819, when the British gave notice that this preference was to be withdrawn gradually, and the result was that a conference of the Boards of Trade was called in Montreal in the year 1820, and it is most significant to read the circular sent out by that conference as to the arguments then presented why this preferential trade should be continued. They are very closely summarized in a resolution of the Montreal Board of Trade:

"That it would tend to develop colonial enterprise, it would result in emigration, and the results would be so small it would not affect the British exchequer."

MR. J. D. FLAVELLE, Lindsay Board of Trade—I have listened with very great pleasure to the discussion, and I shall support the Montreal resolution. I think the Stratford gentlemen who moved the amendment are aside from the facts when they state we in any way go to England asking for alms. I cannot see anything in the Montreal resolution to put Canada in that position. The resolution merely points out that it is in Imperial interests and in the interest of Great Britain herself to give a preferential tariff to the Colonies. We are not asking them to do it. There is no doubt that if Great Britain would grant this preferential arrangement it would be of decided benefit to Canada. A gentleman from Sault Ste. Marie (Mr. McKay) said, we want to get British capital. Is there any better way of getting English capital than by preferential trade? I do not see any difference between developing our mines and our agriculture. I think if we could get capital together to forward our agricultural interests it would be the best means of getting capitalists to invest in mining. We have in Sault Ste. Marie an example of what capital can do in developing our resources. That industry has shown capital has come in with tremendous bounds. Develop that industry and the English people, who are slow to take advantage of any opportunity, will soon realize that Canada is a capital place for investments. I am glad we are to have the Winnipeg resolution discussed separately, because we are at the present time very much interested in getting a preference on our agricultural products. A few years ago under no circumstances could you persuade England to tax foodstuffs, but now they have actually done it, and we have no communication that the present government have any intention of rescinding that resolution, and I certainly think it is an opportune time to impress upon them the advantages to be derived from Great Britain associating with the colonies in this matter. We may not have such an opportunity for many years to come. I do not see why we should be prevented from presenting our case simply because it is in our own interest. I shall support the main resolution, although personally I

would rather have the portion taken from the Toronto resolution eliminated. I would rather the suggestion of a commission should be made by the people in England.

MR. JOHN GASKIN, Kingston Board of Trade—I am strongly in favor of the resolutions of the Montreal and Toronto Boards of Trade. I did not intend to speak here at all to-day on this subject until I heard my friend Mr. Conlon. Mr. Conlon and myself have been in the same line of business for a great many years, and I was a little surprised at the stand he took. I have gone down to Ottawa with deputations for many years, and the ministers were always willing and pleased to hear suggestions from business men, and when they found the majority of the business men in this country were in favor of something it was their business, as representing the people, to do what they desired. Mr. Conlon says Sir Wilfred Laurier should be allowed to do what he did before. As I understand it, he went over there and reduced the tariff. That pleased some and did not please others. There is a woollen mill in Kingston, and I understand that since that preference was given to Great Britain that woollen mill has not paid one cent, and those men gave me to understand that if that continues they will likely close up. If that is so there are other places that have mills, and I say the sooner something is done to change it the better. Mr. Conlon says in getting a preference on wheat in the Old Country it would be the means of increasing the price of coal. I do not understand it, I cannot see how it is going to affect the price of coal. I have been in connection with a firm in Montreal, the largest firm of its kind in this country, and the President of the Company died two years ago; he was the largest grain buyer in this country, and he always gave me to understand that if the time arrived when England would give Canada a preference on breadstuffs it would build up this country.

MR. JACQUES BUREAU, M.P., Three Rivers Board of Trade—I have listened with a great deal of interest, and, I take it, we are all agreed that we want closer trade relations with the Empire, and we want Great Britain to give a preference to the products of her Colonies. It seems to me the only thing we are not agreed on is the form of the resolution we wish to pass. Sir, we do not want to go to Britain with our hats down; we, who have been able to give without being asked, ought to be able to ask without begging. On the other hand, we do not want to be dictatorial; we must not forget that England has her policy, and we must not go there and say: "Now, we want you to give us a preference on our exports, we want you to tax all products except those coming from the Colonies." I think the Montreal resolution is a little too broad to accord with my views. I would sooner adopt the Stratford resolution. We do not want to go there and say: "Because we have given you 33½ per cent. we want it back;" we do not want to go there and say: "Because our boys have shed their blood on Afric's soil we want compensation." We want to go there as part of the Empire and say: "We have a business proposition for you, we think it is in the interests of the partnership that whenever you see fit to impose a duty upon any product that you exempt the Colonies." I would sooner substitute for the words, "giving the products of her Colonies a preference," the words, "exempt the products of her Colonies whenever she imposes a tariff."

MR. McFARLANE, Ottawa—It seems to me a great deal of the discussion this afternoon would have been in better place with the resolution that is to be brought up by the Board of Trade of Kingston; a great deal of what has been said might just as well have been left until that occasion when you will have to discuss in what way the preference is to be obtained, but in the meantime what we have to do is to declare for or against a trade preference within the Empire, and I think we might hasten matters a little bit by confining ourselves to that general question, and by voting at once on the amendment which has been proposed to the Montreal resolution.

MR. JOHN BOWMAN, London Board of Trade—I might say that the representative of the London Board of Trade is unavoidably absent. I was asked to take his place at the last moment, and I could not, therefore, enter into this discussion, but the general opinion of the Board of Trade of London was in sympathy with just such a resolution as that of the Montreal Board of Trade, because it is broad in its

scope, and deals with preferential trade within the bounds of the Empire. I regret that in this Conference our attitude to the Motherland would be considered as asking favors. We have from time to time discussed these matters at our Board of Trade, and we have had invitations to the Chamber of Commerce in England to discuss the best policy to strengthen the trade relations between England and her colonies, the best policy to build up Greater Britain, and the Greater Britain cannot be built up on mere sentiment; there must be a bond of interest, there must be something that will create wealth within the Empire, and a broad commercial policy which is beneficial to England and her Colonies, I believe, is the only way in which England can retain the strong bond that now exists between her Colonies, and build herself up in strength to resist the pressure that will be brought upon her from the other nations of the earth in regard to the trade of the world. I have before me a pamphlet that may be of very great interest to this Congress. It comes from the Conference held in the United States, some two years ago, of the Chambers of Commerce there, and there are some statements in this that are of special interest to us now, and I will read one or two of them. In the first place, it is stated here that the United States gained, since 1889, \$170,000,000 on her export trade in manufactured articles, or 123 per cent., whilst the United Kingdom had lost \$129,000,000, or about 12 per cent. There is a further statement that the European nations already recognize in the United States a dangerous competitor for the trade of the world. They claim it is no longer a race between the United States as an individual nation, but between combined Europe on the one side and the United States on the other. Again, it states the trade of the United States has been mainly along what might be called the line of least resistance, that is with nations using the English language. During the last year the English speaking countries purchased more than one-half of all our exports. Further, it states, that Great Britain purchased \$507,816,000 of goods from the United States during the fiscal year ending June 30th, 1899; British America, over \$89,000,000; British Australia, \$19,000,000; British Africa, something over \$15,000,000; and the statement is that the largest customer is Great Britain—Great Britain buys more than all the world outside of Europe. They claim, also, that the United States is becoming the wealthiest nation in the world, becoming wealthy because they have been forcing their surplus into the open markets of the world, principally into England and her possessions. It strikes me that while England is being robbed of her trade at such a rate the day is not far distant when she will have to consider a protective policy of some kind. I believe we, who are neighbors to the United States, are realizing that we are possessors of the greater part of this Northern American continent. We have great natural resources, and if we are to develop into a great people we need a large share of this trade; and I think we can safely and in the right spirit approach the Motherland and ask that a wise policy be considered that would be helpful to us, and that would be helpful to them as well. I wish I had time to enter into a discussion of this subject. I certainly think the day will come when England and her Colonies will unite.

MR. W. SANFORD EVANS, Winnipeg—I would just like to ask whether this clause, "Therefore resolved" in the Montreal Board of Trade resolution really expresses the body of opinion of this meeting. There is no mutuality in this resolution. I think we should look at this resolution largely from the standpoint of the British public. This resolution as it is drafted will go all over the Empire, and you have in England a critical and not a very sympathetic attitude at the present time towards a movement of this kind. If on inspecting this resolution closely and in cold blood they find that in a resolution formally passed by assembled business men of Canada the only consideration that seemed to be in their minds was a consideration of Britain giving a preference to her colonies, without considering or appearing to consider the effects upon Britain herself it might tend to prejudice them still further, and delay longer the movement which is at present under way. It seems to me a slight change in a word or two could introduce the idea of mutuality. We here are prepared, I believe, to meet on mutual grounds. They may recognize that we are or they may not be in the resolution. I would suggest and would move that the committee be a small committee of say three or five members to consider this and make amendments, and to submit to this Congress a resolution making minor changes which they may think fit in accordance with the sentiments expressed.

MR. JARVIS, St. John, N.B.—I rise to second the motion which has just been made. If the St. John Board of Trade have not expressed themselves very fully heretofore there has been one reason, and that has been this, that before notice was received of this meeting, we had already placed ourselves on record with regard to this matter. I have before me a copy of the resolution adopted by the St. John Board of Trade as far back as the beginning of last April. That resolution was based on the idea that I think is the correct one, that any action of this sort should be reciprocal, and that we should not look selfishly to obtain an advantage from the Mother Country or expect anything in the way of a quid pro quo, but we should look to the development of Imperial interests, and cultivate a better sentiment and a better opinion on the part of the Mother Country towards ourselves, and on our part a better sentiment and warmer feeling towards the Mother Country. We shall vote for the Montreal resolution with such minor amendments as may be suggested. The committee, I suppose, will be drawn from the Boards of Trade which have already submitted propositions and we shall not be represented on that committee, but I consider it will be well to adopt some proposition which will be in the best interests of the Empire.

The amendment to the amendment and the amendment to the main motion on being put to the Conference were lost. The main resolution as presented by the Montreal Board of Trade, with the last clause of the Toronto Board of Trade resolution, was carried.

PRESIDENT AMES—The next question before the the Conference is the resolution to be submitted by the Kingston Board of Trade.

MR. A. DONNELLY, Kingston Board of Trade—I desire to say, on behalf of this resolution, that the resolution which has been carried by this Conference has dealt with part of the subject covered by our resolution, and therefore it will not be necessary to move our resolution in its entirety. I will move this resolution :

Resolved : That this Conference is of the opinion that as our Government, notwithstanding their repeated efforts and remonstrances, have failed to secure the abolition of this special duty imposed by Germany upon our cereals, countervailing duties should be levied by our Government upon German goods coming into Canada.

This resolution is so very plain that it is not necessary for me to say a word except to call the attention of the Conference to the fact that Germany has at present a favored nation clause, and just as soon as Canada gave the preferential trade to Great Britain, the German Government abrogated their preference clause so far as Canada was concerned ; it is still in force with regard to Great Britain. This resolution simply asks that while that state of affairs exists, we ask our Government to do likewise and give them a little dose of their own medicine.

MR. M. C. ELLIS, Toronto Board of Trade—I take pleasure in seconding the motion made by the gentleman from Kingston. This question of German tariff is one of considerable importance to the people of Canada. By our giving preference to the Motherland, Germany has taken offence and has singled out Canada specially, and has imposed a prohibitive tariff upon Canadian grain. Whilst Germany has singled out Canada in this specific and particular manner no other country in the world has done so. It is a trade that is of great importance to Canada, and not only is it a trade of great importance to Canada, but the principle involved is a very important one to Canada. If in giving the preference to our Motherland we are to be treated by other countries in the same way, and we are to stand this without protest, where is the thing going to end? Now, gentlemen, in regard to the export of grain, I find that our exports to-day are practically nil ; this prohibitive tariff, amounting to an average of ten cents a bushel, has entirely closed the German market against Canadian cereals ; and what is the position with regard to our imports from Germany? We are year by year increasing our purchases from Germany, so that Germany has no grievance or cause for offence to Canada. If, after giving a preference to the Mother Country, Germany has increased her trade instead of diminishing it, she has therefore no right to enact a prohibitive tariff against us. I find, in 1898, we imported from Germany to the extent of five and a half million dollars, and in 1900 that it increased to eight and a half million dollars, while all the grain we shipped in 1900

was \$250,000. We have a right and a just cause to be indignant at the treatment that Germany has meted out to us. In 1897 and 1898, before this German boycott was upon us, one grain firm in this city shipped one and three-quarter million bushels of grain to Germany, shipped it from Montreal, and Montreal shippers got the benefit of it. What has been the position since the imposition of this tariff? This same firm during the years 1898, 1899, 1900, 1901 and part of 1902 has shipped 73,000 bushels of wheat. So you see it has practically shut the German market against us. Take the position in regard to Portland. I find in 1897 and 1898 Canadian grain was shipped amounting to one and three-quarter million bushels and absolutely no American grain. Since this tariff was imposed the conditions have entirely changed, and practically no Canadian grain has been shipped, and this American grain was shipped from a country which exacts from Germany 50 to 75% higher tariff than Canada exacts upon the imports of Germany. This specially singles out Germany as having taken a particularly hostile stand, and it should be resented to the utmost by the Canadians. What is the position? We find that our Minister of the Trade of Commerce has been repeatedly appealed to in this matter and has done his best. We have nothing to censure the Dominion Government for, they have done their best to bring about a change in this matter. They have repeatedly remonstrated with the Imperial authorities, and have done everything possible to obtain a redress, and seeing they have found it impossible to obtain redress, and have exerted all the influence possible, I think that it is time that Canada should take a step and impose countervailing duties upon the goods coming in from Germany. The goods which come in from Germany are goods which produce an immense profit to themselves; they are goods which Germany are anxious to sell in this country, and as Germany sees her trade increasing, and when Canada after the remonstrance and endeavor she has made in a friendly and proper spirit, signifies her intention to oppose countervailing duties, Germany will very soon discover that it is necessary to alter her grain prohibition against Canada. I have very much pleasure therefore in seconding the resolution advanced by Kingston.

MR. McFARLANE, Ottawa—The resolution as printed under the name of Kingston is totally different from what is now being proposed. I ask whether it is fair to introduce a resolution which we have not before us?

PRESIDENT AMES—I think, Mr. McFarlane, the gentlemen are in order. The Kingston Board of Trade are down to move their resolution, and when they passed their resolution they could not possibly have in mind other resolutions which were to be presented at this Conference. The ground taken by the mover and seconder of the Kingston resolution is that part of their resolution has already been passed upon and they therefore eliminate what has already been dealt with. I think they are quite within their rights to change the wording of the balance of their resolution.

MR. PERRAULT, Gaspé—I think that this is a matter to be settled by the Canadian Parliament making a special tariff for Germany. I do not see how the Conference in London can deal with this matter. The Imperial Government has nothing to do with it, it is a question between Canada and Germany.

PRESIDENT AMES—The scope of this Conference is to cover the questions that will be dealt with by the Conference of Premiers in London, and also, apart from this, questions which are of general interest to the Dominion of Canada.

MR. McFEE, Montreal—I think we have a great deal of sympathy with the Toronto and Kingston people in regard to this retaliatory measure the Germans have adopted. There is no doubt that Germany has endeavored to get goods on the Canadian market on better terms than the other Continental countries are enjoying to-day. I think Germany's object is to get, not probably one-third off, such as we give Great Britain, but probably one-sixth off the present tariff, in order that she may be in a position to say she enjoys a preference as compared with Belgium or some other countries. Germany thinks by prohibiting our products to enter the German market to force Canada to withdraw from the position she has taken, viz., to grant a preference to the Mother Country in our markets. I have no hesitation in saying that the Montreal Board of Trade regard Germany's policy as one that will

not bring about the result she expects. We have granted Great Britain the preference and we will not take a step backward in regard to that measure. We discussed this question very carefully in Montreal as to what action we should take to offset the policy Germany has found in its interest to pursue, and we have come to the conclusion that it would probably be a mistake to allow Germany to see that we are asking legislation against Germany alone; we feel that we should deal with this question not as regards Germany alone, but as regards any other country that may not wish to trade with us on a fair trade basis. Carrying out this policy, the Montreal Board of Trade recently passed a resolution, and I think it should receive the support of this Conference in preference to the resolution which has been proposed. I would like to ask the mover and seconder of the resolution if they would take into consideration this resolution, which has been adopted by the Montreal Board of Trade. I will read it to the Conference:

"That the Dominion Government is hereby respectfully urged to make such alterations in the tariff upon importations from foreign countries not having reciprocal relations with this country as will serve to protect the natural products and manufactures of Canada."

I think that what we desire in this resolution is that we deal on a fair basis not only with Germany but all other countries that are particularly excluding our products from their markets. Any country that is prepared to deal with us on a reciprocal basis we are prepared to meet in like manner. If Germany is prepared to come forward and deal with us on a fair trade basis we will meet her. I might say, though, we are not discriminating against Germany, for Germany has access to the markets on the same conditions as Belgium or any other nation. We cannot reduce our duties as far as I can see on German imports. German goods are not excluded from Canada, but German imports are steadily increasing. We have not retaliated; we have done nothing to warrant the action of Germany, whereas on the contrary Germany has excluded our products entirely. I think this resolution covers the ground, as we desire the tariff should be adjusted so that there will be no discrimination, and that our industries will not be interfered with by any competition from Germany. We want an adjustment of tariff on these lines, and if we have this adjustment we will then be prepared to discuss trade relations with Germany.

MR. M. C. ELLIS, Toronto—As seconder of the resolution and in reply to what Mr. McFee has said, their resolution seems to hesitate about naming Germany, and I wish to say that Germany has specially named Canada and selected her out from all other colonies and nations, and why should we hesitate to specially name Germany? (Hear, hear).

MR. J. D. ALLAN, Toronto Board of Trade—The question of dealing with countries so lightly as apparently seems to enter the minds of some of the delegates, I think on further consideration by them would show that the interests involved are perhaps greater than they imagined. I am quite in accord with the treatment Germany should receive, but those of us who depend upon Germany largely for what constitutes our business would like to see this done in a little different spirit. I myself am quite in accord with the proposition put forward by the Montreal Board of Trade. If we single out Germany for treatment in this way, it will injure us very materially with Germany, and if we put the principle in general terms, Germany could not take umbrage to such an extent as she would. Two months ago I was discussing the matter with various Boards of Trade in Germany, and to my amazement I found that they were quite in ignorance of the fact that Canadian products had been treated so, and I am certain also that a little agitation on the part of some of the governing bodies, either in this country or Britain, would so remedy the existing state of things that we could have no cause for complaint. I know myself so far as this city is concerned there is one industry that if we unnecessarily riled Germany would suffer severely. I refer to the Massey-Harris Company, which does an enormous business with Germany itself. I have no authority for stating it, but from what I know of the various parts of Germany, and from having seen the depots from which their machines are distributed, I believe I

am within the mark in saying that the Massey-Harris Company distributes in Germany alone, one million dollars a year in agricultural implements. Now, it would be rather a severe blow upon that one industry for instance, if hasty legislation which might be the result of the action of this Conference would cut that off from us as a city.

I, therefore, am very much more impressed with the idea that in order to bring this before the German Government properly in connection with all other governments, that the general treatment of the question proposed by the Montreal Board of Trade is the correct one, and personally I would prefer that most heartily. I second the motion.

MR. M. C. ELLIS, Toronto—I would make one single remark in answer to what Mr. Allan has said. He has mentioned one very prominent industry in this city, and I hold in my hand a resolution passed by the Toronto Board of Trade dealing strongly with the subject, seconded by the late Mr. Massey himself.

The amendment, on being put to the Conference, was carried.

PRESIDENT AMES—The next resolution is that suggested by the Winnipeg Board of Trade.

MR. C. A. YOUNG, Winnipeg—The resolution proposed by the Winnipeg Grain and Produce Exchange is as follows:

Whereas Great Britain has placed an import duty on agricultural products from her Colonies, as well as from other countries; and whereas the building up of the Colonies is the surest and best means of strengthening the Empire; and whereas the volume of immigration to and development of the Colonies (and of Canada especially) largely depends on the encouragement given to develop their agricultural resources;

Be it resolved: That this Conference requests the Hon. Sir Wilfrid Laurier, Premier of Canada, to urge most strongly upon the Government of Great Britain the extreme advisability of arranging the import duty on agricultural produce into Great Britain, so that a preference be given to the said products imported from Canada and the other Colonies as against the importations from foreign countries.

I beg to move this resolution.

MR. C. N. BELL, Winnipeg Board of Trade—I beg to second that resolution. I do not think it will be necessary, after the general discussion that took place on the general subject of preferential trade, to speak directly to this particular question. I have been informed to-day that, as a matter of fact, the arrangements are said to have been completed already for milling grain in bond in Minneapolis; I am told that grain has been taken down there, and that the Minneapolis papers have reported that grinding was actually going on, and they were sending Manitoba grain east-bound on a special privileged rate of carrying flour—the finished product at the same freight rate as grain, which is not granted by the Canadian railways. They are thus sending our flour for export and getting the benefit of the manufacture of our grain in the United States. On our return to Winnipeg we will have to attend, as a matter of courtesy in any case, a Convention that is called in the Western States to discuss the reciprocity of agricultural products between the United States and Canada. On two occasions during the last twelve years we have been invited to attend, and have accepted the invitations as a matter of courtesy, meetings called by men of the United States, in which the question of reciprocity was discussed, and after the most courteous reception the question was always asked us, "Well, gentlemen, what have you got to offer us?" Gentlemen, for the first time in thirty-two years' residence in the Province of Manitoba we are in a position to say, "Now, gentlemen, you have asked us to come here, what have you got to offer us?" (Applause). That is the position that not only eastern Canada has reached, but western Canada also. We can get along without the Western States, and without reciprocity, (Hear, hear). We do not want our grain to go to Minneapolis and be milled in bond there, we would sooner give it to the men in Ontario to grind. You have a lot of mills down here and we would like to see them all working. If you cannot do that milling down here, we would sooner have it ground in England, but we would sooner see Manitoba grain go ground to feed the British people direct, and put good British pluck into them with British goods. There is no reason why we should not do it, and there is no reason in the world why the

grain should be taken outside the Empire, and by special rates, a foreign country should be allowed to beat us out of our own trade. When we go down to Minneapolis to meet these gentlemen, we will discuss this subject in all its bearings, and we would like to be able to say to them, "Gentlemen, already the business men of Canada, from Victoria to Halifax, have had a meeting and this question incidentally came up, and they have said, 'We would sooner have it sent to Great Britain. If you can offer us anything better than what we expect to get from Great Britain for that grain, let us hear it, and we will consider it as a business proposition.'"

MR. MCFARLANE, Ottawa—The resolution asks that this Conference requests the Hon. Sir Wilfrid Laurier to urge most strongly upon the Government of Great Britain the extreme advisability of arranging the import duty on agricultural produce into Great Britain, so that a preference is given to the said products imported from Canada and other Colonies, as against importations from foreign countries. I presume that refers to the recently imposed duties on grain and flour. The resolution wants us to counsel Sir Wilfrid Laurier to advocate the giving up of this duty so far as the Colonies are concerned. It seems to me we are asking Sir Wilfrid Laurier to do a thing he cannot possibly do, because there is not the slightest probability of its being granted by the Government of Great Britain, a government which has in times past refused to give a preference on the wine of Australia and the sugar of the West Indies. Is it likely to rescind this legislation in favor of a war tax? Is it likely to do so on the recommendation of this Conference or Sir Wilfrid Laurier? I do not think so. It is a very ill-advised thing to ask Sir Wilfrid Laurier to do anything of that sort; it would be asking Great Britain to abolish it. The question is coming up to-day; it is being debated between the Liberals and the Conservatives there. Mind you, I have always been in favor of Great Britain granting a preference to her Colonies, but I really do not think it should be done in this way. It is putting it in the most awkward way you possibly can. I do not think it would be possible to accomplish anything in that way, and I think it is imposing a heavy burden on Sir Wilfrid Laurier. There is a more excellent way. There is no use in confining ourselves to a low plane, and asking for such a trifle as this, which would only affect Canada more particularly. I suppose it affects Australia slightly, and the other Colonies scarcely at all. It does not affect India. What we want to do is to propose something and ask Sir Wilfrid Laurier to propose something, that will benefit the whole Empire, not only Canada, but all the other Colonies, and I beg, Mr. Chairman, to move this amendment to the resolution that has been proposed by the gentlemen from Winnipeg:

That the representatives of Canada at the Coronation Conference should be respectfully urged to exert their influence in favor of the imposition in all divisions of the Empire of a five per cent. ad valorem duty (over and above their various tariffs) on all importations from foreign countries, as a step towards the establishment of preferential trade within the Empire, and in the direction of Inter-British Free Trade.

What I propose is, that instead of suggesting that we interfere with the local conditions of Great Britain, there should be an alteration of the taxation. Great Britain has not asked us to make our tariff in any way to suit her, and I do not see why we should go over there and ask what is proposed here.

MR. WILKIE, Toronto—I should like to know if this is not a new suggestion entirely that Mr. McFarlane is making? The proposition from Winnipeg has nothing whatever to do with this. This is a new motion.

PRESIDENT AMES—I think that is a new question.

MR. A. S. GOODEVE, Rossland, B.C.—I have very much pleasure in endorsing the resolution of the Winnipeg Board. I will not detain this Conference except to mention one point that it seems to me has not been brought out during this entire discussion. I may be wrong, but it occurs to me in this way: Great Britain has already imposed a duty on foodstuffs, and all we are asking in this resolution is to say that she shall give a preference to her Colonies in the enforcing of that tariff or duty. Now, far from necessarily increasing the price of foodstuffs to the British consumers it occurs to me it might possibly reduce the cost. If a duty is applied to all the Colonies and all the countries alike then there will be simply a competition

of the various nations of the earth, plus the duty, but if Great Britain removes the duty with regard to her Colonies the result will be simply that foreign countries who wish to compete with the Colonies will have to reduce the price of their produce to Great Britain so that there will be a tendency to reduce the price. I believe that we require every encouragement in opening up the Great West, and I have much pleasure in endorsing the resolution.

MR C. B. WATTS, Toronto Board of Trade—I endorse every word that has been uttered by the members of the Winnipeg delegation, and our western members in reference to this question, and I will not take up your time further than to call your attention to the fact in connection with the statements that have already been made as to the tendency of the mills in the west to get the Manitoba wheat to grind and ship to Great Britain, that within the last two months an arrangement has been arrived at apparently by the steamship lines running from the American ports, by which on Canadian flour shipped from Canadian mills a rate of freight of 2 cents per hundred pounds was charged higher on Canadian flour than on American flour. The way they arrived at it was this: they gave their agent in Canada instructions that on all shipments from Canadian mills they should charge the ocean rate of freight which was quoted from Montreal. At the time that these instructions were issued, and for a long time afterwards, the rate of freight that was then quoted from Montreal was 2 cents a hundred pounds higher than was quoted from New York, the result was that there was a direct discrimination against the Canadian mills of 4 cents a barrel on Canadian flour shipped by any American port, but the same flour ground in Minneapolis out of Manitoba wheat could be shipped direct through to the Old Country and have that preference in the Old Country markets which we were excluded from. I think that fact alone is of sufficient weight to direct this Conference to support in the strongest manner possible the resolution which has been presented by the Winnipeg Board of Trade. There is a great deal more that could be said on this subject, but I think the facts that have already been stated are sufficient to strengthen every delegate in his intention to support this resolution.

The resolution was carried unanimously.

PRESIDENT AMES—The next resolution is that of Mr. Hatheway, seconded by Mr. Rolland.

Resolved: That the preferential duty rebate of 33 $\frac{1}{3}$ per cent. now allowed on all merchandise imported from Great Britain should only apply when such goods are imported into Canada through Canadian ports, which change will greatly stimulate the direct steamship services between Great Britain and Canada, and will also tend to strengthen Canadian national sentiment.

MR. W. F. HATHEWAY—I had the pleasure this morning of speaking for some few minutes upon this question, and so I think it will be my privilege not to speak on it long this afternoon. Allow me to say this resolution is in the interests of the city of Quebec, largely of the city of Montreal, the growing city of Sydney, the city of Halifax, and also my own city of St. John. I beg leave to move the resolution.

MR. ROLLAND, Montreal—I have only to say a very few words in addition to what I said this morning. It is quite natural preferential trade should be given to goods imported directly into Canadian ports. A large amount of money has been expended for our harbors, canals and railways, and the navigation between Montreal and the Gulf is now in such a state that larger steamers are coming this way than ever before, so why should Canadian trade go through American ports while we have ports in winter and summer that can receive all Canadian goods? So it is with pleasure I second this resolution.

MR. E. A. KEMP, M.P., Toronto Board of Trade—I am in hearty sympathy with the motives that are behind the resolution which has just been moved and seconded, the idea of shipping Canadian goods through Canadian channels. A great deal is being done to facilitate that end in improving our waterways, railways, and building canals, and in docks, and all that kind of thing, and a very large subsidy is being paid for steamship lines, and we are going ahead along that line. The object which the gentlemen, I take it, have in moving this resolution, is to

further supplement those efforts. I have, however, to entirely disagree with them in respect of the way in which they intend to supplement the efforts that are being put forward to have merchandise come into this country destined for Canadian consumers through Canadian channels, and Canadian products go through Canadian channels.

MR. HATHWAY—It does not say anything about exports.

MR. KEMP—I did not mean to have it understood you did; but our business, the commerce of this country, is between three hundred and fifty and four hundred millions of dollars annually, that is our imports and exports; it is suggested by the resolution that, on the merchandise that comes into this country which is entitled to a preference, that preference will not be given unless that merchandise comes through a Canadian port. I submit, Mr. Chairman, that the preferential tariff is one thing, that our subsidized steamship lines and the development of our independent lines of transportation is an entirely separate question, and that we should not try to nullify the effect of the preferential tariff by any such step as this. A man is bringing in goods from Great Britain, part of those goods come in free, part of them are subject to a tariff; how is he going to divide his shipment up? He may find it to his advantage to ship part of his shipment by way of a Canadian port, and part by way of a port by which he would get a cheaper freight rate. Then how are we going to square ourselves with our American neighbors on the bonding question, reciprocity in bonding privileges? The amount of goods which we brought in this last year was \$29,509,000; a very large quantity of those goods came in through Montreal in the open season of navigation, no doubt, and it would place a burden on the merchants of this country in respect to the freight rates they pay, which should not be placed upon them if this resolution were put into effect. I say we should do everything possible to encourage our Canadian ports, we should do everything possible to encourage the port of St. John, and I think our friends from St. John feel a great deal has been done, and a great deal more should be done. I am in favor of encouraging such objects, but I say this is not the way we should encourage them. This would simply nullify the preference we give. There is a duty on many commodities which come from Great Britain of only 5 per cent., and 10 per cent. on others, and this would entirely do away with the preference, because we know how little competition we have to the Canadian ports, especially in the winter time. We hope these ports will be developed, and that we will be able to get equally good rates in the future as we get from the United States, but some other means should be taken to accomplish the end in view. I should like to ask the attention of the Conference to a resolution adopted by the Toronto Board of Trade, after very serious consideration, in respect to bringing in goods which are subject to preference through Canadian ports.

"1. It regards the measure as ill-advised in that it would seriously affect trade by forcing freight through irregular routes at additional cost of time and money, thus minimizing the benefit to the consumer of the tariff rebate.

"2. It must be kept in mind that the preference clause of the tariff applies to the products of many of the Colonies as well as to those of the Motherland. Canada imports largely from India, Ceylon, the Straits Settlements, British West Indies, etc., and not only is New York the port of arrival for established steamship lines engaged in this trade, but it also provides a market for purchases made in excess of Canadian requirements. Purchasing in large quantities is at times of distinct advantage, and without some outlet other than our home market this advantage would be lost.

"3. It is expedient to legislate so as to reduce the transportation facilities between the seaboard and the West. The competition of the Canadian lines for the business of the American cities of the West is regarded as an important factor in the control of rates as affecting import to the United States, and it is equally important to the Western Canadian cities that the element of protection afforded by the competition of American railways should not be eliminated.

"4. The United States would regard this as an unfriendly legislation, and, as a consequence, our bonding privileges might be restricted, or other retaliatory measures adopted.

" 5. Not only is the proposed measure unjust and inexpedient, but it would accomplish nothing beyond subsidizing a number of steamship companies who are now in combination to maintain rates.

" Your Committee finally would urge that representation be made to Parliament of the pressing necessity of providing such terminal facilities at some Canadian port as will provide conditions favorable to the establishment of an all Canadian route, feeling sure that such a course will do more towards the end sought than the proposed legislation.

" All of which is respectfully submitted."

Now, Mr. Chairman, before I take my seat I want to say that no one in this Conference is more anxious to develop Canadian ports, both summer and winter ports, than I am, but I say this would be an inexpedient course to take, it would be unjust to a class of importers in this country, and it would nullify the effect of the preferential tariff in some respects. I do not see how under these circumstances, the Conference can support the resolution.

MR. GEORGE ROBERTSON, St. John Board of Trade—I think I am correct in saying that the Provincial Assembly of the Province of Quebec passed a resolution in favor of this motion. Whilst the last speaker was dwelling upon some important points that he made, it seemed to me, Mr. Chairman, if I may be permitted to say it, that this Conference should at least have the courage to deal with questions that they have a right to deal with. I know it has been stated broadcast through Great Britain, and I have heard it personally myself, that we are assuming great responsibility, that we are almost dictating to the people of Great Britain, as to what they shall do with their tariff, but when it comes to a question of the Parliament of the Dominion of Canada granting a preference to British goods coming into the Dominion of Canada in the interests of the patriotism of the Empire—whatever object the Government may have had in granting that preferential tariff, at least the Leader of the Government says, and I accept the statement, that he made it in a broad and magnanimous spirit, and it was appreciated in Great Britain, and I was pleased to see the resolution of the Montreal Board of Trade was broad indeed, and that the action of this Convention to-day showed at least the Canadian spirit—when you come to deal with a question of this kind do you mean to tell me, Mr. Chairman and gentlemen of this Convention, that we have got to consider the great nation to the south of us, who have their own coasting trade, who have on every occasion done what they considered was in the interests of the United States? Do we expect to make a nation in this country? Are you going to end at Montreal and the Grand Trunk Railway? Are you going to build up the great West and make a nation of it? Must the ports of the Maritime Provinces of this nation stand idle and see the goods that you have given a preferential tariff to pass in to swell the imports of this Dominion through the foreign ports of our friendly neighbors? Surely it will never do. I appeal to this Convention that there are interests as deep in the Maritime Provinces, as deep where those ports are interested, as deep as those interests in your broad wheat fields in your great illimitable North-West; and you can never become a great maritime nation, you can never become a great power, you will always be dependent upon the navy of Great Britain and the power of that little island, unless you build up your maritime ports. It is needless, Mr. Chairman and gentlemen, for me to dwell upon this or to go into statistics. It is one of those things that are as clear as the noonday sun. You preach patriotism, you send your young men out to the war, some even go so far as to cast that in the face of the taxpayers of Great Britain and say: "We have done so-and-so, you should do something for us"—for heaven's sake let us first be true to Canada, let us have in our minds that Canada is a nation, aye, even against all the world. (Applause). When I say that, am I less a part of the British Empire and proud of it, and determined to do everything that will develop and strengthen it? But when you appeal to the man of Lancashire that he has got to do something that will enable you to take your grain to Great Britain, that man says: "I have got to have that added to my loaf." That is the argument; I do not wish to take up the time of this Conven-

tion, but I appeal to the honorable gentleman Mr. Kemp, of the Toronto Board of Trade—I know his patriotism, I know his love of country—but I will bring to his mind a little circumstance that happened at the Chamber of Commerce of the Empire, after a resolution had been arranged in the Committee; they asked to have an opportunity to place it before the Right Honorable Lord Salisbury, Leader of the Government—What was the reply? It was not convenient for His Lordship, that great man? No, the time is inopportune! If they had passed a resolution in this Convention and Sir Wilfred Laurier had sent a reply of that kind it would have been hurled from one end of the Dominion to the other. There is no man in Canada, I care not who he is, that could make me take a second place in loyalty to this Empire; I say that without boasting; my eldest son, as many a father's son, was out to Africa, and I would have been there myself if it had not been the time of day, but I tell you I never forget that:

" A king can mak' a belted knight,
A marquis, duke and a' that;
But an honest man's aboon his might—
Gude faith, he mauna fa' that! "

While I heartily endorse the resolution of the Montreal Board of Trade, while I think it is proper, I still would like to see the Premier have a free hand, and not go there, as some of us said, with his hat in his hand; but when he comes to the question of preferential tariff, or when he is dealing with a question of Canadian ports, I appeal to this Convention, I appeal in the name of the Maritime Provinces, whatever you do do not vote against this resolution, or, believe me, we will go back home, and it will have a stronger effect than you have any idea of. It may be that there may be a steamship line or two, but what do we find; the very Americans coming over to capture whatever we have now in the shape of Maritime interests. Mr. Chairman, I have said enough, for I feel I can take my seat with the confidence that the resolution will be carried unanimously.

MR. DEWOLFE, Halifax—I think that after the address from Mr. Robertson there can be no question but that this resolution will be passed unanimously. The East comes to the West, and we ask you in return for all that we can do for you, or may in uniting with you do for the interests of the West, that you will do something for us. The question that has been introduced by Mr. Hatheway is one that appeals to every Canadian, it is a question there should be no objection to. The fact that in the past the maritime cities of the United States have been built up to a great extent by the imports and exports of Canadian trade is one that every Canadian must deplore. The resolution moved by Mr. Hatheway should not cost any importer in Canada a single dollar in excess of what he is now paying. We ask the support of all Western men in behalf of this resolution. We have been told that there was a danger of the grain products of Canada being diverted and ground in Minneapolis and St. Paul, and exported through the United States ports; that would deprive the working man of Canada and the manufacturer of Canada of the profit of that work, for every shipment you make through American ports you rob Canadian industry. The freight rates from St. John to the West are the same as from the American ports to the West, and therefore I say the cost to the importers should not be a dollar more than they are now paying, and it so, the steamship company should meet any such excess by a lower rate. There is a chance here for patriotism to be shown, and even if the goods imported through Canadian ports may be twelve to fifteen hours longer in reaching their destination every patriotic importer should be willing—and if they all unite it would make no difference—to wait this longer time. The only sacrifice the merchant is asked to make is to wait a few hours longer for his goods. I would ask every delegate here, East and West, to unite with the maritime delegates in support of the resolution introduced by the St. John Board of Trade.

MR. W. H. KING, St. Thomas Board of Trade—Neither the patriotism nor the loyalty of this Convention is at all at stake; it is simply a matter of business. The sea ports of Sydney, Halifax, St. John and Montreal are interested as against

the whole of the rest of the Dominion. While we have much sympathy for them, and while we would like to co-operate with them as far as it is within our power, we cannot do that and sacrifice the rest of the Dominion entirely to their interests. We, as delegates here, are interested in the development of our trade and commerce as much as possible. I might say almost entirely the foundation stone of that is competitive rates and routes. Remove that, and what has our trade and commerce to rely upon? A gentleman from Winnipeg has already stated that grain must go and is going through American routes to-day, but he did not say he had any objection to it, or that the country would be any better without that. I am afraid the Winnipeg men to-day might be in a bad state if they were tied up to one route. I am afraid the commerce of this country demands it, and we must have competitive routes yet, for a time, at least, and while the country to the south of us are friendly in a way and unfriendly in another way, we must not forget the fact that our Canadian railways are very largely supported by American commerce. I think a very great percentage of the Grand Trunk Railway is the result of the movement of American traffic, which could be cut off by simply a cancellation of the bonding privileges. It has been held up before the public as a bug-a-boo for some time, but it probably will never result. I hope this meeting will not be carried away with the sympathetic appeal of our friend from the east. We are in sympathy with him, but we must consider the whole of the Dominion of Canada.

MR HUGH BLAIN, Toronto—It seems almost ungracious to oppose this resolution, but we must look at it as sensible business men. I have a great deal of sympathy with the proposal and if we were in a position to enforce it, I would cordially endorse it, but we have no such facilities on our eastern coast as would enable us to carry out this resolution. While my friend may be correct in the statement that the rates from New York and Boston are the same as from St. John, I venture to say if you pass this resolution that condition of things will not remain so long. We could not possibly in justice to ourselves abandon the competition that exists to-day.

MR HATHEWAY—Were you ever down there?

MR. HUGH BLAIN—My friend asks if I was ever down there and I suppose he means that I would discover that they had facilities. Take in my own business, we import goods from the Straits Settlement, Ceylon and all these eastern parts, and there is no direct connection between any of them and any Canadian port. We cannot issue a letter of credit bringing goods by way of any port except by way of New York or Boston, and it is quite evident we must develop our eastern facilities for doing business infinitely more than they are to-day before we could possibly enforce a resolution such as this. It would not be patriotic so far as Great Britain is concerned, it would be simply transferring to the steamship companies the preference that we give to-day to the British manufacturers. It could have no other effect. If it is in the interests of the steamship companies it must be opposed to the interests of the British exporter, or else opposed to the interests of the Canadian consumer. As a matter of fact the condition of trade in this country is altogether in too crude a condition to pass any such sweeping resolution as that, and while I sympathize most sincerely with the appeal to patriotism that has been made—and no one will go further than I will so far as the question of loyalty to our country is concerned—we must still show that we are business men, and that we are not losing our heads altogether, because by putting ourselves in a position of this kind, when we come to analyze the proposition and look at it in all its bearings, we would all say: "That may be very patriotic, but it is not a business course, for a business man to pursue." When the facilities for doing business in the east would enable us practically to carry out a resolution of this kind, then it would receive my cordial support and co-operation. (Applause).

MR. JOHN RUSSELL, Winnipeg Board of Trade—I wish to state that the Winnipeg Board had this under consideration and unanimously were of the opinion that such could not be carried through at the present time. There is no doubt the principle involved of keeping trade, as far as possible, within Canadian routes, and also in British bottoms, is a good one if we are prepared for it, but we must bear in mind that there are a great many consumers of goods between here and the

Rocky Mountains that are affected as much by this question as those in the eastern parts, and the shippers there wish to ship their goods by the best and quickest routes, and where the most advantageous freight rates can be obtained, and I do not see why we should be limited by any means, or why the western part of the country should be deprived of the benefit of the 33½ per cent. on a great many of their importations, and the eastern part get the benefit, for, sir, such an act as this, put into force, would effectually deprive the West of the benefit of that 33½ per cent. advantage, which they would rather surrender than surrender the best and most advantageous routes of carriage.

MR. MCKAY, Sault Ste. Marie—It was said at a very important gathering that we have all got to hang together or we will hang separately. If that British tax of 3 cents a bushel on wheat will be remitted to Canada and the other Colonies, then I presume it will increase the price in Canada 3 cents per bushel in order to be any benefit to Manitoba. Canada produces 90,000,000 bushels of wheat, she exports about 10,000,000. While there is about \$300,000 of benefit goes to the Manitoba wheat raisers son. body in Canada has got to pay about \$2,700,000 out of their pockets for the increased price of wheat if it is going to be any benefit to Manitoba. So I think we should stand together and hang together and help out the Atlantic ports. We are a nation, we are going to be a great nation, we may as well lay the foundations that must be laid at some time in order to make us a nation, and personally if we can help it, the rich farmers of Manitoba, who make an average of \$1,000 out of their farm products, surely they and we can pass this resolution, because it only affects about \$25,000,000 worth of goods from Great Britain, it does not affect all the imports from Great Britain which amount to some \$43,000,000, and it also should assist us in building up a better steamboat connection between Canada and Great Britain. Personally I think it is too early in the day to subsidize a fast Atlantic Line, but if we can adopt this resolution it would pave the way for us to lead up to that consummation, when we shall have a steamship line worthy of our Dominion, and worthy of the trade we have created.

Adjourned at 6 p.m. to 8 p.m.

WEDNESDAY EVENING.

The Conference resumed at 8 o'clock.

MR. DEWOLFE, Halifax—I must take exception to the remark made by the gentleman from Winnipeg, that sooner than be dictated to as to the means by which they would get their goods, they would forfeit their 33½ per cent. preference. I do not think that is a question that should influence us here. We are first Canadians, and any benefit we can do to each other benefits the whole Dominion, and we would ask, in the event of this resolution not passing to-night, that you use your influence in benefiting the Maritime Provinces, that you import your goods in such a way as will have this effect. (Hear, hear.) Hitherto the policy of Canada has been to subsidize steamers and build up foreign ports, to-day we have a different phase of business which should have always obtained. If each delegate would go to his Board with the patriotic idea in his mind, and would bring before his local Board the advisability of patronizing the maritime ports, or Canadian ports wherever practical, then we would return feeling that some benefit would accrue to the East by our meeting with you here to-day.

MR. JOHN RUSSELL, Winnipeg—Will you allow me to correct a wrong impression which appears to have been made? The idea which I wished to convey was this: that in some cases it would be more profitable to the merchant doing business in the West to forfeit the 33½ per cent. rather than be compelled to bring his goods through Canadian ports; not that we should prefer to do it, but in some cases, for

instance, goods have been shipped from Liverpool to Quebec cheaper than from Montreal to Winnipeg; and there are a great many cases when it would be more advantageous to forfeit the 33 $\frac{1}{3}$ per cent. preference rather than to undergo the delays and the annoyance and extra cost of shipping some of those goods as provided in this resolution. The West is as loyal to the East as any other part of Canada, and we would like to see our ports developed. We are with you in that, but the time is not opportune.

MR. DEWOLFE, Halifax—Is there any more opportune time than the present? Perhaps I do not understand, but we have facilities there that are never used; we have ports and warehouses lying idle; we wish to see some improvement in the future. We are not content to have our warehouses and shipping facilities lying idle, and we ask you to help us.

MR. M. C. ELLIS, Toronto—I am sure we all listened with a great deal of profit and pleasure to the remarks made by the delegate from St. John, Mr. Robertson, and we quite concur in the patriotic sentiments which he pronounced on this subject in so far as sentiment lies, and, gentlemen, this question has been up for discussion in the West, it has been up for discussion in our Board, and there are difficulties in the way which show that the proposition made from St. John is impracticable at the present time. I quite concur with what the gentleman from Halifax has said, that the western merchants can help the ports of St. John and Halifax and Montreal by ordering their shipments to come through Canadian channels, and I am pleased, sir, to say, that one year ago that was the order I gave to our shipping agent in England. (Applause). So that while I must oppose the resolution of St. John my conscience is clear from the patriotic standpoint. So long as the steamships running to Canadian ports and the railways treat the Canadian importer who imports through Canadian channels properly he will continue so doing, but should the railroads and the steamship companies take and scale off the advantages he would get from the preferential trade then he has the other course to fall back on, and it is in that way that we will keep our transportation lines open in the cheapest manner possible. If we were to force artificially the trade that comes to us by virtue of the preferential tariff through Canadian ports we would find ourselves shortly perhaps in the hands of the transportation companies, who already have a combine, and the disabilities under which Canadian merchants labor in regard to transportation charges have been a live subject of discussion at our Boards of Trade and at Ottawa, and, gentlemen, until we get this matter rectified in a more permanent and more solid way it would be a very bad experiment indeed to adopt the St. John resolution. What we need to do is to see that we have the best terminal facilities at Canadian ports, and the lines of transportation so constructed that they will be on the cheapest route from the Canadian seaport to the West. I am quite sure that we western gentlemen have the greatest desire, and will support heartily everything which will build up Canadian ports, so that they have the best terminal facilities and may be on the line of cheapest transportation from the seaboard to the West, and I am sure if the St. John gentlemen will consider the situation as I have outlined it they will see it is not from any unpatriotic standpoint we are opposed to it; we are fully in sympathy with their wish, and we only wish we could see all the steamship lines coming to our terminal points, but our preferential trade now extends to other places, to the West Indies, Straits Settlements, Ceylon and India, and there are steamship facilities already established between those points and New York, and our interests are not sufficiently large to force those steamships into Canadian ports. If we were to adopt this resolution we would put a very large amount of our commerce under serious disability. Then there are matters with regard to the bonding privilege, and it is very possible the United States might consider this a menace on our part, and we know from the large amount of shipping our companies have been enabled to make rates that are much more satisfactory, therefore we must take care that we do not force our trade into artificial lines, and lose these privileges which are so necessary.

MR. MUNRO, Montreal—Provided the members from the Maritime Provinces

are satisfied with Mr. De Wolfe's suggestion that they leave it as a matter of honor for the merchants to take up the suggestion, we need not press it further; but it has occurred to me that the principle which is advocated by this resolution already exists in our tariff. There is such a thing as the Canadian tariff discriminating in favor of goods arriving by Canadian ports; there are some specific items to which that applies, and the feeling I had in hearing the resolution was this, that our friends were asking too much, that the remedy proposed is too drastic. For instance, the average duty levied on imports from Great Britain is 13 per cent. off; therefore, if we remit the entire rebate it will mean a loss of six per cent. on the face value of the imports. Now, if the amendment suggested that a modification such, for example, as that while the preferential rebate is 33½ per cent., the rebate on goods coming through United States ports should be limited to 25 per cent., that would make the arrangement much less severe, and would, perhaps, afford an opportunity of emphasizing the desirability of importing through Canadian channels whenever possible. It seems to me it is part of our Imperial policy to encourage and strengthen those ports, and I have no fear if we saw our way to grant some concession to our friends in the Maritime Provinces, that in due time we would have such shipping facilities. I do not wish to propose an amendment, but if it were agreeable to the movers of this resolution that something like this should be done, in order to encourage the importation of British goods through Canadian ports, this Conference desires that the preferential rebate on goods be limited to 25 per cent. when imported through foreign ports, perhaps we would all agree. That would meet the objection of Mr. Blain, because in the case of goods coming from the East, from India, for example, it would not apply, but would apply only to goods from Great Britain.

MR. W. SANFORD EVANS, Winnipeg — I regret as coming from Winnipeg there should be any misunderstanding on the part of some of the representatives from the East as to the attitude of the Winnipeg Board of Trade. When it was brought up the question was received very sympathetically. I know there is a great deal of sympathy in Winnipeg towards the matters which during the time I have been in the city have been brought up from the Boards of Trade of Eastern Canada. In this case there was no condemnation of the measure. The attitude taken was that it hardly seemed as if the time was opportune for passing a definite resolution or putting a definite policy of that kind in operation. On questions of transportation as they affect eastern ports or eastern lines of transportation Winnipeg is very much interested, and I know the feeling was that if possible the benefit should be given to Canadian lines of transportation, and we hope the day may come when the traffic that does not go over Canadian lines and through Canadian ports will be an insignificant factor in our total transportation. Although this Conference is considered to a large extent as an opportunity for individual expression, the representatives of Winnipeg, after the action which the Winnipeg Board took in declaring that in their opinion the time was not opportune for a definite policy of that kind to be put in operation, we would not feel that we could vote for a resolution expressed exactly as this one was expressed. Personally the resolution appeals to me strongly, for I am one who looks forward to the development of Canadian shipping. I think we should not for a moment overlook the fact that shipping is one of the greatest industries in which a country can engage. (Hear, hear), and I do not think we can begin too soon along lines of policy that are going to develop our Canadian marine. Another point it struck me as interesting in this debate that the objections raised to this measure were just the same as the objections which in the first half dozen hours we complained of having been raised in Great Britain against the idea of preferential trade in the Colonies. It was said it might be more expensive for the merchant. That is just what is said which is used in England, that a preference in favor of the Colonies would make the articles more expensive. It was said another objection was to the present inadequacy of our facilities in the East. That is just what the people in Britain are saying, that the Colonies cannot at the present time supply them with all they need, and there is the danger of inadequacy if they adopt that policy. Again it was said that there might be complications

with the United States through the bonding regulations and other matters. That is just exactly the argument with which England is meeting our arguments in favor of preferential trade. They say the vast volume of our imports cannot be got from the colonies, and there may be complications. It seems to me we should fully recognize the fact that there has been a disposition to take two sides on things where the line of argument is parallel. If we really believe and are honest in our convictions on all we have been saying on the matter of preference within the Empire it seems to me we must admit the force of what the gentlemen have said in proposing the resolution, and even if it does cost a little more, even if there is danger of complication, and even if at the present time the facilities are inadequate, if we have confidence that in the future our facilities will be adequate, our shipping will be adequate, and that the trade will be such as will pay for all these things, then we cannot on the strength of all we have been saying here during the early part of this day, for a moment deny that this is a matter well worthy of consideration. I say this because I think we should be frank enough to recognize what has struck me as a decided inconsistency. If some such amendment could be suggested, in case the resolution is not withdrawn, as that the individual members of this Conference would take some with them, the subject of this resolution to study over it until such time arrived when the conditions would be so changed that the practical objections would be overcome, it would certainly meet with my approbation and, I think, with the unanimous approval of the Conference. (Applause.)

MR. JOHN ASKIN, Kingston—I am strongly in favor of the resolution moved by the gentleman from St. John. I was more than pleased when I heard that the Dominion Government made a preferential tariff for the shipping from England and did not stipulate they should come through the Canadian ports. I remember, a number of years ago, that Canadian boats were allowed to carry grain from Chicago and Milwaukee to Port Colborne. That grain went over the Welland road to Port Dalhousie; it was taken by Canadian boats from Port Dalhousie and brought to Oswego. The Americans tried to stop it, and they have stopped everything since that was of benefit to our Canadian trade. I remember a number of years ago when I was captain of a steamer, after the American war, I went into the port of Cleveland to report at the Customs House, and they presented me with a bill of \$140 or \$150, and what do you suppose that was for? For a war tax in the United States. That is the treatment we have been receiving from a Canadian standpoint, and I do certainly say the Government made a great mistake in allowing that preferential tariff to apply to merchandise coming through the United States. The boat business in this country has been working at a great disadvantage for a great many years. A boat worth \$100,000 in Canada will be worth \$150,000 in the United States. Why? Simply because the boats of the United States have freight both ways. A number of years ago our boats were loaded full up with merchandise; to-day you will find that they are not half loaded in a great many cases. I claim that if that \$25,000,000 of stuff which comes in under the preferential tariff came in by St. John and Halifax and by the city of Montreal, our boats, every trip, would be full loaded, and by our boats being full loaded these people in Winnipeg could get their grain carried down cheaper, because, with having freight both ways, the steamers could carry the stuff a great deal cheaper. We want to stand by our people by the sea. If we are not true to each other we cannot exist. I am surprised at the Winnipeg men for the reason that we have been trying to make it pleasant for them; we have built the Canadian Pacific Railway. They say that in the near future they will be able to supply Britain with all the grain needed, and if that is so, they should hold up their hands and say: "We will help you." These men down in the Lower Provinces have helped to build the C. P. R., and if that road had not been built you would not have been here to-day telling the people of the great possibilities in the North-West. (Hear, hear.) I do not live in St. John, I live in Kingston, and if you want this country to be great we have got to help each other, and the way to help each other is to have the stuff come through St. John and Montreal. Why have the Americans become a great nation? Do you ever find men in the United States

running down that country? No, but you will find many men running down the Dominion. I would like to see us all join hands and say we will be true to ourselves, and by voting for St. John we will prove it.

MR. C. N. BELL—I can thoroughly endorse the remarks of Mr. Evans, who spoke a few minutes ago. We had a resolution of a similar character from the Halifax Board of Trade. The Winnipeg Board of Trade gave it a great deal of consideration. We are most anxious to send our grain as a matter of export via Montreal and St. John and Halifax in preference to Buffalo. We want to get our imports via St. John and Halifax and Montreal, but the trouble is that we just had from the Halifax Board of Trade a resolution asking us in common with other Boards to give them suggestions as to how the Intercolonial Railroad could be made more serviceable, and more of the character of what it was expected to be, a national highway. We gave that a great deal of consideration, we had a committee working on that for a considerable time, we made recommendations to the Dominion Government, and the matter was discussed in the House last Session; we recommended that a thoroughly competent railroad expert, up-to-date, who knew all about management as well as detail, should be appointed by the Canadian Government to report, and we suggested certain alternative schemes to make the Intercolonial Railroad a road to perform the functions the Canadian people want it to perform. We had from the Maritime Province Boards a statement that the merchandise instead of being carried through their ports was diverted at Montreal by the Grand Trunk and Canadian Pacific Railroad to American ports. I think we can only get something satisfactory when we know where we are in the matter of the traffic after it arrives at St. John and Halifax; it is really impossible for the Board to endorse directly a definite proposition to make the thirty-three and one-third per cent. applicable only to goods coming by Canadian ports. Then I may say we get rates on goods from Liverpool to Winnipeg cheaper than we get from Halifax to Winnipeg. That is what faces us, and however desirous we may be to assist there is that difficulty.

MR. HATHEWAY—Are the rates higher from Winnipeg to St. John than from Winnipeg to New York?

MR. BELL—I say there are certain freights that can be brought from Liverpool to Winnipeg at a lower rate than we can get from St. John to Winnipeg. I tell you it is more a matter of transportation than it is a desire not to build up our Canadian ports. It is a matter that should be taken up by our Canadian seaports; Montreal, Halifax and St. John should form a permanent committee to enquire into the matter and force our railroads to give such rates that will not require us to use the American roads when we have Canadian railroads subsidized by the Dominion of Canada to do that business for us.

MR. G. E. AMYOT, Quebec Board of Trade—I do not think the members from Winnipeg have as much confidence in our railway and steamship facilities as they have in the future of their North-West; if they had, they would talk very differently. I think their sole object in coming here is to get as much as they can and give as little as they can. They are willing to make a lot of promises and show their good faith in sleek words, but I believe that is about the limit. We have steamers coming to Halifax, St. John, Quebec and Montreal about a third filled; it is not for want of space, nor on account of rates, because I think they can get as good rates by Quebec or Montreal in the summer, or St. John and Halifax in the winter, as from New York.

MR. BELL, Winnipeg—Not from the seaboard to our country.

MR. AMYOT, Quebec—If you get them by New York you have to draw to Winnipeg, and you can get the same rate from St. John to Winnipeg. However, we are here in a family meeting to-day and everybody has to put his hands to the wheel. We have all the facilities for transportation from European markets to Winnipeg, and if they are so positive about transporting so many million bushels of wheat through our ports, I think they should not be scared about getting a few carloads of materials to their country, which would be nothing in comparison to

what they are exporting. As to the freight, suppose there was some difference, I think the Winnipeg people, in co-operation with the Boards of Trade, might try to meet together and re-arrange that. As far as we are concerned in Quebec, we have never heard of any complaints from the Winnipeg Board of Trade that the freight rate was not satisfactory. I never heard anything of it before; and if they would write to the Boards of Trade of Montreal, Quebec, Halifax and St. John, that matter might be fixed up very quickly, and I do not think we should for a moment avoid adopting the resolution of our friend from St. John and shelve that question over.

MR. MUNRO, Montreal—It has been suggested that this amendment which I read when last on my feet should be put before you. The resolution is that,

"In order to encourage the importation of British goods via Canadian ports this Conference desires that the preferential rebate on goods imported from Great Britain arriving by United States ports shall be limited to 25 per cent."

This suggestion is for the purpose of placing on record at this Conference our desire to encourage the Maritime ports in a more definite way than by leaving it as a matter of grace. I do not think our friends in the North West will have anything to complain of in regard to the assurance that the C.P.R. who make those rates would charge a higher rate. For "United States ports" we might substitute the words "other than Canadian ports."

MR. G. S. CAMPBELL, Halifax—I beg to second that amendment moved by Mr. Munro, and I do so because I think the policy advocated would give a stimulus to Canadian transportation facilities, and also help to build up Canadian ports, and when I say Canadian ports, I don't simply mean Maritime Province ports, because I think the policy proposed here would benefit very considerably the ports of Quebec and Montreal. I think it is lamentable that a large proportion of Canadian goods go through United States ports. Are we to allow this thing to go on, or are we going to try to remedy it? The objection seems to be that if this policy were adopted western importers would pay more freight, and they would be under this disadvantage. I cannot help thinking that that objection is very much exaggerated, because the policy which we propose would have the effect of stimulating and increasing the facilities by the Maritime Provinces and Canadian ports, and the result would be that those gentlemen would find that by the increase of business, in a very short time, if not at once, rates by Canadian ports would be just as low as they are through foreign ports. Another thing I would like to mention is this, some of the gentlemen do not seem to be aware there is a freight agreement in force now, and has been for some years, by which goods entering Canadian ports, say from St. John to any point in the west of Canada, are imported just as cheaply as from New York to that same point in Canada, and from Halifax at one cent. per hundred pounds additional, so that I do not think there is any fear of any combination of steamship and railway companies as has been suggested by some gentlemen. I do not think we need fear retaliation on the part of the United States. Our experience with the United States is that they are not afraid to discriminate against any foreign country. The United States very properly looks after her own interests, and I do not think the United States will think any the less of us for looking after our interests. I think it is time for us to consider our own interests. We have a precedent in connection with the treaty at present in force between Canada and France. Under that treaty Canadian goods, for instance, do not get the benefit of the minimum French duty unless they go direct from Canadian ports to France. If they go through United States ports they pay additional duty. We very much appreciate the sentiments which have been expressed by the gentlemen from Winnipeg, but we only wish they would take a little more practical form. In all these questions there is a certain amount of give and take, and it may be a certain amount of sacrifice. Just as one gentleman has stated, we are asking the old country to make a certain amount of sacrifice in our favor, because it does amount to some sacrifice; and now supposing these western parts do have to make some slight sacrifice to the extent suggested by this resolution, the question is are they willing to make that sacrifice for the sake of opening up Canadian ports?

We think the sacrifice is not an extreme one, and we think it would be fair for them to make it, and we believe if it is a sacrifice just now, it will be for only a very short time. We are told the conditions at present will not stand this change; what we want is to alter the conditions and we think of no more practical way of doing it than has been suggested. I think to the slight extent suggested in Mr. Munro's amendment this Conference will support the principle that Canadian goods ought to be carried in Canadian ships and through Canadian ports.

MR. E. G. HENDERSON, Windsor—As a matter of sentiment I feel in sympathy with the resolution as proposed by Mr. Hatheway, but as a matter of business, I think we would be putting ourselves in a very false position, indeed, if this Conference endorsed any such resolution. Supposing you had a law that English goods were to come through Canadian ports, we should be telling the steamship companies here, "We must give you these goods," and we should be telling the railway companies the same thing. There is no one but the three trunk lines to carry those goods, and consequently I doubt very much if we would get the same rates that we get now. Apart from the question of rates, there is the question of time, which every manufacturer and every business man knows is of much more importance than the rate he pays. We would lose all that advantage; but apart from that fact, I am afraid that the United States would at once withdraw the bonding privilege.

MR. ROBERTSON, St. John—No.

MR. HENDERSON, Windsor—I do not care very much for our neighbors to the south, but I am inclined to think they would withdraw that privilege, and if they did our railways to-day would not be able to carry Canadian commodities at the same rate they do; I am sure they would be compelled to advance the rates. I think the volume of American business done over Canadian railways helps to keep down the rates. I grant you in time to come we may have enough domestic business to keep them going, but I do not think we have now. I think we should be very slow in endorsing any such resolution, and I think now that the matter has been ventilated, the gentlemen here, when possible, will have their business come through Canadian ports, but I think we would be making a mistake if we endorsed the resolution.

MR. GEORGE E. DRUMMOND, Montreal—I for one propose to vote for this resolution as modified by Mr. Munro. I do so because it is along the line of Canadian policy, and I believe I ought to stand by that. We have to-day, sir, dealt with the question of preferential trade; friends we will have to give up something to accomplish that in the next few years, until we get in a position where we can meet the competition of the world. Our friends from Winnipeg I am sure will generously give way on this, and will accept this resolution in its modified form, because I know they are true Canadians and want to help these men of the east to build up their ports. It is a shame that we should permit our exports from Canada, from the west and from the centre of Canada, to go out via American ports if we can send them by Canadian ports. There is no question, as Mr. Gaskin said, that if you can fill these boats both ways that will mean cheaper freight rates for the men of the west, and that our railways will meet us in a generous spirit I am perfectly confident, if the volume of trade will permit of it. For that reason I propose to support this motion. My friend from Windsor has spoken of what the Americans might do. I tell you that when the Americans meet in such a Conference as this they do not care very much what Canadians are going to do. They believe in themselves. (Hear, hear). We in this country have never had confidence in ourselves; our banks would not be laden down with \$250,000,000 earning 3 per cent. if our people had confidence enough to develop Canadian transportation and develop Canadian mines. We have the resources, and I do hope this assembly to-night will stand by these gentlemen from Halifax and will pass Mr. Munro's amendment. (Applause).

MR. SAUNDERS, Goderich—To my mind only one side of this matter has been discussed, and that is the importing. There is another question, that of exporting, and that matter has been apparently overlooked. Vessels will not come to Cana-

dian ports unless they can have a load back to England again, or to other countries. I am an exporter and I shipped last year by Halifax, but I found that my shipments would sometimes lie at Halifax for a fortnight, because there was no boat to take them away, while by Boston or New York I could make shipments once a week. There are certain seasons of the year in England when trade is more active in our line than other seasons, and it is necessary to have frequent shipments. I may say also that I get better rates by Boston, and I get a better handling of my goods. I have only once been able to get as low a rate by Montreal as by Boston, New York or Portland. These three terminal points have given me every advantage in shipping, in consequence of which I have been compelled to ship either by Boston, Portland or New York. My clients on the other side ask me to do this and I have to do so simply because the rate is lower, and because the transportation facilities are quicker. I am in full sympathy with the resolution from St. John, but, I think, rather than have an adverse vote on this question it would be wisdom on their part to either withdraw the resolution or my friend Mr. Munro should eliminate that clause in regard to the discrimination in the tariff; it is only a matter of quantity whether it be 33 $\frac{1}{3}$ per cent. or 25 per cent. of duty. I am in hearty sympathy with any measure which will divert trade to Canadian channels. I am afraid that however small an impediment is put in the way of American traffic you, in a measure, strike the Americans, and they, in return, may retaliate and take away our bonding privileges. It is only a matter of quantity, and I would like to see Mr. Munro eliminate that little clause from his resolution.

MR. MUNRO, Montreal—That is the whole substance of my resolution. If you remove that you remove the whole amendment. I do not think we strike the Americans as much as we strike the Canadians, because it is the Canadian who loses the 1 $\frac{1}{2}$ per cent. on the face value. Then let me say to our friend from Goderich, if we have more inward trade we will have more outward trade; the steamers are not there to take the outward trade because we have not enough coming home, and if we can divert the trade to Canadian points we would have more steamers to carry goods home to England.

MR. SAUNDERS, Goderich—I want to impress upon Mr. Munro the fact that, whatever discrimination you make, it is a blow at the American Government, and however small that is they may be inclined to retaliate. I would be in favor of a resolution of encouragement to Canadian shipping, containing a clause such as this, that this Assembly desires to give every encouragement to Canadian shipping, and will, by their action here, encourage such trade, but have no condition attached to antagonize our neighbors.

MR. D. R. WILKIE, Toronto—I am sick and tired of hearing about this retaliation, and I hope the gentlemen from St. John and Halifax will not be influenced in any way by the arguments that they have heard threatening the people of Canada with retaliation by the United States Government. (Hear, hear). Who reaps the benefit of carrying this trade inwards from the ports of Boston and New York? It is the American railways, let them fight it out there, it is their fight; they are not going to allow the bonding privileges to be done away with merely because we are going to allow this rebate. We have granted this privilege of preferential tariff in favor of British goods, and it was said at the time that we did this we would suffer for it, the Americans would retaliate. What have they done? "You are really getting on to our game, you are finding us out." I know leading protectionists of the United States, and they told me plainly, "You do not know how to manage your own affairs, do not be afraid of us. Our whole policy is not dictated by a desire to injure Canada. We have our own business to look after, and you are only a small factor in the matter. We are not doing this to injure you, we are doing it to benefit ourselves." Let us think in the same way, let us benefit ourselves. As to the argument of Mr. Saunders that he was forced to export his goods by way of Boston or New York, what does that mean? It means that owing to our allowing this preference on British goods coming through Boston and New York, instead of limiting it to goods that come only through Halifax, St. John, Quebec and Montreal, he was forced to send his goods to Boston and New York. But force them to bring our

goods through Canadian ports, and you will have cheaper freight rates for Canadian produce from your own ports. (Hear, hear). I do not think we should give way in this matter. Retaliation is a barbarous word, and it is not followed out except we want to injure, and we are not going to injure the United States, and as long as we are going to benefit ourselves, we should consider ourselves. What did the United States do the other day when the Philippines were taken over. The supply of hemp, as we know, coming from there, was subject to a certain export duty, and did they consult us when they said there would be a rebate of that duty on hemp going into the United States, and there would be no rebate coming to Canada. Did they consider us? Did they fear our retaliation? Not at all. They said they must have this hemp, and they would have it, and they would manage their own affairs in their own way. I think we are tired of this fear of retaliation, and we are putting a weapon in their hands. I hope the gentlemen from St. John will not allow any amendments to their original motion.

MR. C. B. WATTS, Toronto—This question has been discussed by most of those that have spoken to it as though there were no other method of arriving at the object which is aimed at. We have a resolution yet to be submitted to this Conference, one with reference to subsidies, and I think by making use of the subsidies that are to be granted, and are granted to-day to the steamship lines, that we can very well attain the object aimed at without interfering with the preference we are now giving to the British goods. If the proposal moved by Mr. Hatheway is adopted, or the one moved by Mr. Munro, I very much fear that the result will be this, that you will find that our railroads and transportation lines will take very carefully into consideration the amount which would be saved by the importers on the goods, owing to the rebate, and they would simply add that to their freight charges, and the result would be that, instead of our giving a preference to British exporters on goods coming into Canada, they would be getting no preference at all, we would be giving them a preference on the one hand, and allowing the railways and transportation companies to take it away on the other. I think that is really the position we must see, and there is no use of our shutting our eyes to this state of affairs. I think if we take the other clauses which we are shortly to discuss with reference to subsidies, and make the subsidies conditional on the steamers sailing from Canadian ports, and only from Canadian ports, then we will be doing something that will reach the same object in a more direct way, and a better way.

MR. HATHEWAY, St. John—I am surprised to hear gentlemen say that the ports of Montreal and Quebec have no facilities. I thought the city of Quebec had facilities to undertake the whole export and import trade of Canada. I think you are making a serious mistake if you do not accept this resolution in its entirety, but I will say for my comrades here, and other gentlemen who have spoken, that we are willing to accept the amendment suggested by the gentleman from Montreal (Mr. Munro), and seconded by Mr. Campbell, of Halifax. It seems to me you do not know what facilities we have in the city of St. John and the city of Halifax. Do you know how many steamers we had arrived in our own city from England this last year? You have no idea; the gentlemen from Winnipeg do not know; the gentlemen from Toronto ought to know. We had four large steamers a week regularly, all last winter, landing at the port of St. John. We had 89 steamers during those five months—twenty-two weeks. Those steamers came to that port half loaded every time. Why? Because you have not got out of your old ruts; because you have forgotten, to a certain extent, that there is an East in this country, and are looking westerly. It is time we looked easterly. Look at the increase of our trade. The year before last we exported from the city of St. John 108,000 tons of freight, and last year the exact figures are 173,000 tons of freight, an increase of 80 per cent., not due to any assistance that we have got from anybody in this world excepting the stability and the push of the people in the east, because we have spent \$1,000,000 to put our port into such a position as to be able to do your business and carry your trade. One gentleman spoke of freight rates. You can get at any time on a through bill of lading via the Canadian Pacific Railway for export, precisely the same rate of freight on

carloads of goods to the United Kingdom as you can by New York or Boston. Only three months ago I saw lying there in the warehouse goods coming from Iowa, from Illinois and Minnesota for export to the United Kingdom, and I hope that I will see more goods coming from Minnesota and Manitoba through our own ports for Great Britain. I may say I am shipping, myself, Manitoba flour to the West Indies via those steamers at precisely as low a rate as from the City of New York. Then you can get on your inward cargo, if you require it at the time, the same through rates of freight as through the cities of New York and Boston. The truth of it is we have been able to capture freight from Chicago, and been able to take it through our own city against the competition of New York and Boston. The question of labor was spoken of. I did not know that we were considering the question of the laborer at all, but for the last twenty-five years, until 1895, you were subsidizing a steamship line to carry your business to the city of Portland, you were paying the laborers of that city good wages to help build up that city, which was not a Canadian city, and that is what you are doing for the laborers of the cities of Boston, Portland and New York, when you are forgetting that there are routes otherwise, and when you are forgetting that there are Canadian workmen who need the money just as much as the New York and Boston laborers. With reference to the bonding privilege I would say that I hope those gentlemen who this morning and this afternoon had so little fear of Germany and the United States will now on this question have just as little fear of the possibility of the United States taking away the bonding privilege for that district of our country which lies north of Lake Erie. Look at the matter again, and remember your vote upon this question will help a great deal, and inside of a year from the time that that goes into force you will have no cause of complaint as to your export or import facilities, or export and import rates in connection with the cities of Quebec, Montreal, St. John, Sydney and Halifax. (Applause.) I will withdraw the motion and consent to the amendment.

The amendment was then put to the Conference and carried.

IMPORTATION OF CANADIAN CATTLE TO GREAT BRITAIN

MR. W. F. COCKSHUTT, Brantford Board of Trade—I had the honor this morning of proposing a resolution which met with the unanimous approval of the house, and I trust I shall be equally fortunate in the resolution I submit at the present time. I may explain that since this resolution was decided upon by the Council of the Brantford Board of Trade, and after the resolution itself had been written several days, a similar resolution came up in the House at Ottawa. We did not take our cue from Ottawa in this matter. I believe both parties united on this question. Perhaps it had been lost sight of, but some ten years ago the embargo was placed against the importation of Canadian live cattle into Great Britain. I hold in my hand the figures prepared by the Minister of Customs showing the rate of increase that was going on since the year 1889 up to the time that the embargo came into effect. In the year 1889 I find that the exports of Canadian live cattle were, in round numbers, \$4,992,000; in 1890, \$6,565,000; in 1891, \$8,425,000; in 1892 the present embargo came into force. You will see that during those three years the export trade was increasing about \$2,000,000 per annum, but immediately the embargo was placed upon the importation of live stock into Great Britain, there came a standstill and then a decline. I find from the year 1892 until the year 1897 there was a constant decline in the exportation of Canadian live cattle. This, you will remember, is in spite of the fact that our North-West was being opened up, that an immense amount of cattle were being shipped from the North West that heretofore had been shipped from Ontario, Quebec, and the lower provinces, therefore the figures do not fully represent the disadvantages that this country was placed under in this matter. I contend that we are not receiving what might be called British justice in the embargoes that exist against Canadian cattle. I am here to speak to-night, and it will be re-echoed from every Board of Trade in this country, that Canadian cattle as a whole are as healthy as any herd that exists upon the face of the earth, and when we are ruled

out from thus having our cattle imported into Great Britain on the ground that they are diseased, I say that there is something more than the principle of protection involved there; it would appear to me a small offence if the British Government had put one pound or two pounds per head on every ox that went there, we could have stood that, but to put a prohibition upon the importation of our cattle, and say: "We will not receive your cattle," and add to that the injury of saying that those cattle are diseased, I say it was, as I considered it, a slander against the herds of stock that are raised in this country. It has stricken our trade with a blow that it has not yet recovered from, and I contend that the coming Imperial Conference is a time when our Ministers should press for justice in this matter. As a representative to the Trade Congresses of 1892 and 1896, I desired that this should then be placed before the British Government, and the British Chambers of Commerce, and we should ask for common British justice in this matter. It is not that our cattle cannot be imported freely, if it is considered in the interests of the British farmers and the British stock-raisers that a duty should be levied upon our cattle, all well and good, we believe in protection ourselves, I would not for one moment oppose the British Government placing a protection on the herds that are raised in England, but I contend that prohibition on the ground of disease is something far more serious. It appears to me it should be plainly laid before the British Government, the injustice that is being placed upon the herds of Canadian cattle, not only in Great Britain but before the whole world, because at once when Britain placed this embargo upon our cattle, Belgium, Germany and the Continent generally said, "If these cattle are too much diseased to enter the Mother Country of which Canada is a constituent part, surely they are too much diseased to come into Belgium and Germany. That was a fair deduction from the statement made. Therefore I think there can be no two views on the matter, that we are laboring under a very serious disability in having it stated before the world that our cattle are too diseased to enter the British market. Anyone that knows the conditions under which Canadian cattle are shipped, especially if they belong to the humane society, will see that cattle are huddled together in quarters totally unfit for their care, and they are improperly fed and watered, and in many instances they suffer the same disability from illness that perhaps some of you have suffered from, along with myself in crossing the ocean. Anyone knows that a man is not in the very best condition when he lands on the Liverpool wharf, and why should an ox stand more than a man when the man is properly fed and ventilated, and has all the advantages of modern comfort, and these cattle are huddled together. I say for the benefit of the British consumer justice should be done. There has been a clamor in London and Scotland about this matter, and therefore we are only backing up those gentlemen in asking for our rights. There is a strong feeling in England that we have a right to enter. It is not a fact that our cattle were found too unhealthy to enter there, but it was because their quality was so very nearly up to the English quality. This Congress cannot do otherwise than ask Sir Wilfrid Laurier and other representatives when they go there, to lay before the British Government the disability they place Canadian herds under, and join with those Englishmen and Scotchmen who have recently asked that those restrictions be removed. I believe you are almost as unanimous as they were in the Ottawa House the other day when this question came up. It appears to me there are no two grounds for opinion in this matter; the case is so clear, and our rights so well defined that it should only be necessary to present our case, and I trust it will receive that consideration from the Imperial authorities that I think it so well deserves. I have much pleasure in moving the adoption of this resolution:

Resolved: That the members of this Conference of Boards of Trade of the Dominion of Canada are of the opinion that the coming Imperial Conference in June will afford an opportune time to negotiate for, and that our representatives be asked to secure, the removal of the embargo that exists against the importation of Canadian live cattle into Great Britain, inasmuch as the present prohibition prejudicially affects Canadian stock raisers, and no contagious disease is known to exist in our herds."

MR. JOHN RANSFORD, Clinton—Will the speaker be kind enough to give the House a few further figures, if he has them. He spoke of the total value being \$3,000,000 in 1891, but he did not give us the figures for the year 1892.

MR. COCKSHUTT—In 1891 the exports were \$8,400,000. It was not until November, 1892, that the restriction was placed on Canadian cattle, but the amount dropped to \$7,481,000. The next year the figures were \$7,402,000; in the year 1894, \$6,316,000; in 1895, \$6,797,000; in 1896, \$6,800,000; in 1897, \$6,400,000; in 1898, \$7,403,000; in 1899, \$7,121,000; in 1900, \$7,564,000; in 1901, \$8,400,000; so that at the end of ten years the figures were not as large as in 1891. They are still below what they were ten years ago, and we were then increasing at the rate of \$2,000,000 per annum, and taking that basis, we would now have been exporting \$30,000,000 per annum.

MR. JOHN MANN, Brantford—Without taking up time by any remarks of mine I have much pleasure in seconding the motion.

MR. DONNELLY, Kingston—This resolution says the Conference will afford an opportune time to negotiate. I would suggest to the mover that he add the words: "that we would ask our representatives to urge the removal of said embargo." There is nothing in that resolution which carries out the intention.

MR. RANSFORD, Clinton—I desire to call the attention of the representatives from Brantford that there are two opinions on this question, and, as a man interested in the cattle trade and as a farmer, I think I can give you some information that possibly you stand in need of. In the first place when you speak of the decrease of the value of the cattle exported from this country into Great Britain after the embargo was placed upon them, I remind you that there is more than one reason for that, and the reason, principally, is this, that the price of beef went down in the markets of Great Britain; it was low during those years, and farmers betook themselves to other lines, and they interested themselves in dairy products, etc., and that is the principal reason more than the embargo being placed upon the cattle. You have spoke of the cattle from this country into Great Britain being prohibited; as a matter of fact, so far as we exporters of cattle to Great Britain are concerned, the Canadian cattle are not prohibited. I will tell you what cattle are prohibited, and that is the cattle from the Argentine Republic. Great Britain does not permit those cattle to be sent to Great Britain under any circumstances whatever. But I do not call it prohibition to permit the cattle from Canada to be shipped to England and there to be landed, and to be given ten days to recover from the frightful imaginary scene that you have depicted on board ship, and also to have ten days for the shipper to decide as to whether he will sell on the arrival, or the second day, or the fourth, or the sixth, or the eighth, or the tenth day. I consider myself, as a shipper, that ten days is ample, and as a shipper I am perfectly well satisfied with the condition of things, and do not desire any change; I rather prefer, not only in my own interest, but in the interest of the whole country, for things to remain as they are, and I will tell you why. But first of all let me say that when you speak about these frightful hardships on board ship, about cattle being huddled together, horribly treated, suffering from sea-sickness, not being properly fed and watered, to speak plainly, it is all moonshine. I myself have crossed over in cattle ships with cattle. Day after day, two and three times a day, I have been between decks, carefully inspecting the whole arrangements, and it stands to reason if people will only give it a moment's thought that the shippers of cattle are not going to put valuable freight like cattle on board a boat to be treated in the way the member from Brantford speaks of. We have more interest in our pockets than to permit of such a thing as that. The cattle are given room sufficient for them, they are fed thoroughly, and watered properly, and if they do occasionally suffer from mal de mer it is only what human beings suffer from when they take a sea voyage, and they very quickly get over that, and it does not do them very much harm. Of course there are occasions when you get into very stormy weather that the cattle will be banged about and bruised more or less, that cannot be avoided even in the case of sailors, who frequently have broken legs and broken arms. But as regards the reason why I would prefer things to remain as they are, it is on this broad ground that it is far better for the farming interests of this country that things should remain as they are, because it is infinitely better that cattle should be finished, fed up to

completion, and shipped in a finished condition, than shipped as stockers, or feeders. I think you will agree with me that you have heard far more of this question on the other side of the Atlantic than on this, you have heard the Scotch farmer complaining, you have heard the English farmer complaining—why? Because they want to buy our cattle in an unfinished condition, and they want to do what is the best paying operation as regards the farmer, to finish the Canadian animal on English or Scotch soil, and it is for that reason that I, for the best interests of Canada as a whole, would prefer to see things left as they are, and let the Canadian farmer do the finishing, get more money in reality, and it is a better paying operation for him. I say, without fear of being contradicted as a farmer on the floor of this house, that there is no more unprofitable operation a farmer can enter into in this country—I speak now of Ontario—than to raise calves and to let them grow up on his farm to about two years of age, and then sell them as stockers, in an unfinished condition. Why, gentlemen, the very highest state of the market, even in the present high condition of prices stockers are realizing only from 3 to 3½ cents a pound, whereas the finished animal brings a great deal more. To give you a practical illustration, I sent a carload of cattle myself over to England, and received a cable announcing the return only last night, and in the place of 3 or 3½ cents that I would have got had I shipped the animals in an incomplete state, I received 6½ cents per pound in a finished condition—there is the advantage in regard to the price you are receiving, to say nothing as to the fertilizing effect upon the soil of the farm in question upon which those cattle were finished. There is one more point I want to make, and that is this, that it is worth while in this world not to ask for too much at once. We have started out to-day and we have taken the initial step in approaching the British Government for preferential trade; I think we have asked enough, I think we have proposed enough, I think to the ordinary, slow-going, slow-moving English statesmen we have given them plenty to think over and to ruminate upon (laughter), and for goodness sake don't go and spoil our chances in that direction by launching this upon them, for if you do they may be inclined to turn around and say, "Those Canadians want everything, and the best thing we can do is to give them nothing at all." I say proceed slowly, and let the ordinary English statesman revolve in his mind one thing at a time.

MR. ANDREW ELLIOTT, Galt—This question of cattle importation into the English market is a much wider matter than anything else we have mentioned here to-night. Naturally the Province of Ontario is the breeding ground of the better class of stock, not only for the Dominion of Canada, but for the Continent of America. To-day what do we find? We find the Americans, instead of going to England for the purpose of buying their better class of animals, come to Canada for them. Now, the fact that our animals are said to be unhealthy has a bad effect on the cattle trade, not only of this Province, but of the Dominion, and I care not what line of business a man is in it is his duty to see that we farmers are not discriminated against. The time has gone past when the Province of Ontario can any longer exist by the export of the raw material of the farms; we must finish it, and it is only by finishing it in the very best condition that we can hope to succeed. This Province of Ontario is flooded by a grade of cattle that are a disgrace. Since we lost the English market our cattle have gradually deteriorated in this country. It is true within the last two years we have been making a better showing, but we will have to work for quite a number of years before we have export cattle up to the standard they were when we lost the English market. Sir, that being the case, is it not necessary in common justice that we should ask the people of Great Britain to at all events endorse the health of the cattle of this country? We, as I said before, depend upon exporting the best of our cattle to the United States, and to our North-West territory, and we cannot do that unless we have a clean bill of health, and from the fact that we have not in Canada, nor ever had, any contagious disease; on account of our northern situation we are in the best possible condition to breed high class stock, and it would be a wonderful boon to the farmers of Canada and particularly of the Province of Ontario, if we had that embargo taken off. I think we should adopt this resolution as being perhaps the

only manner by which we can bring it before the people of Great Britain in a comprehensive manner, and let us not allow sentiment to prevent us from voting by saying we have asked enough. Gentlemen, we do not ask anything in this Province of Ontario but fair play, and fair play is what we ought to get, and I believe we should fearlessly go in the direction of obtaining fair play.

MR. COCKSHUTT, Brantford—As mover of the resolution I would like to reply to one or two remarks made by Mr. Ransford of Clinton. Mr. Ransford failed to meet the argument entirely, that the moment the embargo was placed on the cattle the exports began to drop. I showed how they dropped entirely for years, in spite of the influx of the North-West cattle; and as to the conditions under which the cattle are exported, I myself have seen these conditions. I believe the present conditions are an injury to us in the eyes of every country that wants to buy cattle, and it is on the broad principle that if they do not want to buy our stock at present they have no right to say these cattle are diseased, unless they can prove disease exists, and I believe it can be fearlessly stated on this floor that there are no herds in the world that are more healthy than those raised in the Dominion of Canada, and especially in the Province of Ontario. If that is so I think we are simply asking for justice. I do ask, do you think it is just and right that our cattle should lie under this slander? Let us say to our representatives, that we believe this should be removed because it is not right, we should not lie under this imputation unless the facts bear it out by a critical examination of our herds both before shipment and after shipment.

The resolution was carried.

STATE CABLE FROM CANADA TO AUSTRALIA

MR. JOHN COATES, Ottawa—Sir Sanford Fleming wished me to give his apologies to this Conference for his not being able to attend, and he desired me to second the resolution of the Kingston Board of Trade, which met his views more than his own resolution; therefore, if you will allow me, sir, I will second the resolution of the Kingston Board of Trade instead of moving that of the Ottawa Board.

MR. GEORGE Y. CROWN, Kingston—I beg leave to move:

That it is of first importance to have the best means of maintaining the freest and cheapest intercourse between all parts of the Empire, and that therefore the policy adopted in establishing a state-owned cable from Canada to Australia should as soon as practicable be extended, in order that there may be a complete line of British state-owned cable round the globe.

MR. COATES, Ottawa—I beg to second this resolution. I think there cannot be two opinions on this subject. Last year the Ottawa Board of Trade spent a considerable amount of time with the able assistance of a member of that Board, Sir Sanford Fleming, in getting up a circular letter, which we sent to all the Boards of Trade throughout Canada and throughout the Empire, and about 90 per cent. of the replies were in favor of the principle of state-owned cables, and I can only say, gentlemen, that that seems to be the opinion generally of the Boards of Trade in Canada. I think we are all agreed that the time is not far distant when we shall have a 50 cent rate instead of \$1.25, that we have been paying to Australia. Those of us who have a large amount of cable correspondence with our houses in Australia, feel this to be a very heavy tax indeed, and I, for one, hope the day is not far-distant when we shall have a state-owned cable encircling the globe.

MR. PERRAULT, Gaspé—I think the gentleman is perfectly sound in his proposition, and I think we ought to have a telegraph union for the British Empire just as we have a postal union. I am glad to say I had the honor of proposing, in 1896, the penny postage that is now an accomplished fact. We had to take the initiative in that movement and we have educated the British people to the desirability of having a penny postage between Canada and Great Britain, and I think that penny postage should be extended to every part of the Empire; the same thing with the cable. Here we are voting millions for these companies to make a lot of money, and we have to pay

the same rate as any stranger in any other part of the world who uses these cables. Why should there not be a kind of telegraphic union of the British Empire, where, in cabling from one part of the Empire to the other we would have a special rate which would be less than the rate charged to a foreigner using these cables for his own purposes. If the other governments, Imperial and Provincial, are called upon to sustain these cables, I think they will be of benefit to the citizens of the British Empire, for instead of charging \$1.50 a word we would have a reasonable rate. In France we find the whole telegraphic system is in the hands of the Government, and you can telegraph anywhere for one cent a word, because the Government is the proprietor of the system. I think the same principle should be adopted for the cable system of the Empire, not a cent a word, but a reasonable rate which would pay for the use of the cable in connection with the trade of the country. I do not see the policy of voting millions as we are doing now and being charged the same prices as any foreigner using the cables without having paid a cent towards their construction.

MR. CHOWN, Kingston—May I be allowed to emphasize three facts in regard to land control.

1st. Canada remains the only country in the British Empire which does not control its land lines ;

2nd. That with the two single exceptions of Canada and the United States, there is no civilized country which does not control its land lines ;

3rd. That in Canada and the United States the rates are practically double the rates in all other civilized countries.

The resolution was carried unanimously.

COMMERCIAL DEPOT IN LONDON, ENGLAND.

MR. J. D. ALLAN, Toronto Board of Trade—This resolution was to have been moved by Mr. J. F. Ellis, but as he has been obliged to remain away on account of indisposition he has asked me to take his place upon this occasion. The resolution is one that I think is of the utmost importance to Canada, and I would preface my remarks by asking: Have the Boards of Trade of this country carefully considered what kind of representation we require there? how comprehensive it should be? These are days of big things, days when doing business upon a side street so far as the Dominion of Canada is concerned cannot any longer be allowed to continue. I may say that on the question of the extension of Canadian trade in Europe I have given it a very great deal of attention for the past thirty years. It has been my good fortune every year to spend at least three months on the continent of Europe. I am familiar with every country in Europe, and I say with considerable pride that I think I have done Canada some good in these foreign countries of Europe during these past thirty years, but because of these opportunities I am the more conscious of the fact that the time has now come that in this keen age of competition he who has goods to sell must do it with energy. We in Canada on account of the excellence of our products in certain lines have very easily secured a good position in the British market; there are many lines that can be profitably exported that at present we do not touch. Why is this? I was particularly pleased two months ago when wandering through the Royal Exchange in London to see the tremendous interest that was exhibited in the Canadian exhibits there, and as a native born Canadian I felt that if ever a time had arrived when Canada should seek a higher place in supplying Great Britain with her needs that time is now, but if it be our intention merely to do it upon the line of some sub-agency then I say we will be false to ourselves, and we will not accomplish the object we have in view. I find as a business man that we business men look at these things somewhat differently from what the politicians do, we do not care in our own businesses how much money we may spend in a given year provided we have carefully thought out the lines upon which we propose to do the expending, and our business shrewdness tells us that it will bring us a return. It is upon those lines I would proceed in London at the present time. It is a well understood thing that the easiest place for one to make money is where

the money is. Is there any place on the face of the world where there is such an aggregation of wealth as is to be found in Great Britain? The imports into the whole of Europe last year amounted to about \$6,850,000,000. These are colossal amounts. How much have we from Canada contributed to that enormous amount? We are satisfied with a very large increase, and a very creditable increase in the past few years in the amount of our exports abroad, but there is nothing succeeds like success; we have just got so far along now that we must make greater efforts than we have ever done in the past, and we will find the result of those efforts will be largely increased business and largely increased favor for Canadian goods. We have in the city of London an instance of what a departure from the old style of doing business has resulted in, in the case of American shoes. American shoe manufacturers went over to London and tried to influence the English trade, but they could not do so. The next thing they did was to start retail stores on every prominent corner, and what is the effect to-day? Within two years the results have amply justified the policy pursued. I have, perhaps, advanced ideas along what we ought to do at this present time, but if I have it is because of what I know are the returns which await our efforts there. Sir, we have thus far gone along only agriculturally, we have done well agriculturally, but even along those lines if we were more careful to let the British consumer know that the product that he is being supplied with is absolutely Canadian, we would free ourselves from a very great many of the charges that are being made against us that some of our products are inferior. Why are they inferior? In many cases they are not Canadian products at all, but are sold there as Canadian products. I was amazed this past summer, when travelling through Russia, to discover how far-reaching the supplying of the British market is. I found butter being made for the British market at 2,600 miles east of Moscow. It was to me a revelation, and, sir, we are within three thousand miles of this market, and we are just beginning to realize there is something there for us. Germany has gone along certain lines in the establishment of her foreign trade; we here are just beginning to feel the quickening impulse of our manufacturers. In 1878 the population of Germany was 67 per cent. agricultural and 33 per cent. manufacturing; to-day the proportion is exactly reversed, and, while we will have always in that magnificent North-West that our friends have been so loyal in their description of to-day a country that will for all time to come furnish us with all the food supplies we want, there are also there unlimited water-powers that can be harnessed and produce manufactured goods that will supply markets in which they are at present unknown. Are we prepared to loiter by the way, or are we prepared to realize that production and distribution must go hand in hand, and that the business man who looks ahead and anticipates what the near future may have for him, will make his plans that will cover those few years to come. We are all proud of this Canada of ours, and, with a considerable knowledge of other countries, I believe no country under the sun contains the wealth in undeveloped resources that Canada does. If we are true to ourselves we need never know what depression means, but the time to prepare for what may be dull times at home is the busy time. Let us look abroad. The establishment of this London agency, if done on right lines, will interest not only Great Britain, but will interest every one of the countries of Europe. The establishment of commercial museums has become a very favorite mode of bringing products before the people. I have been amazed in travelling through continental Europe to see how widespread this idea is. I found in a little city in Bohemia last year a wonderful exhibition of the manufactures of that district, and found a grand exhibition in Leipzig, Vienna, Warsaw. In Berlin you can go and see gathered together the wonderful products of the German Empire, and I would be delighted if the influence of these Chambers of Commerce would be so exerted that the Dominion Government would see to it that no small amount shall be invested along these lines in London. It is a common thing now to pick up a paper and find an article like this: "Mr. So-and-so would like to be put into communication with somebody in Canada." Is that the twentieth century way of doing business? No. I am satisfied if the Dominion Government could see their way clear to start in with the expenditure of a quarter of a million dollars in this matter, it would be the richest investment this

country ever has made. But there are two sides of this question; there is not only our side but the other side. In order to achieve the richest results in the shortest possible time, he who directs that must be a man who knows something of the other side as well as of this side, and I say this, that the training that Canadians get, those who have got on at any rate a little in years, has been so varied that their opinions on any subject are very valuable. I have myself gone into the Canadian office and given opinions of Manitoba wheat. I suppose perhaps the Grain Exchange of Winnipeg might not consider them very valuable, but in my younger days I bought wheat, so I felt a little competent to know something about it. My time is about up, but let me say, last season I saw Australian apples selling in Vienna in October for about ten cents a piece our money. Here we are four thousand miles away from Vienna, we are doing nothing in that; there is one line we could profitably exploit. I have seen in Holland office furniture made in the United States, and we can compete with them successfully here. I have seen in Belgium furniture made in Grand Rapids, Michigan, and very favorably received. And so I could go through the various countries. This idea just comes to me: Some ten years ago I was sitting at breakfast in an hotel in Warsaw, amongst foreigners whose language was not very intelligible to me, but I sat beside an old gentleman and inadvertently happened to speak to him in the English language. He turned to me and said, "I like to hear that tongue." I said, "You can hear more of it if it pleases you." He introduced himself to me. I said, "What are you doing here?" He said, "I am an agent of the United States Government with a roving commission to go anywhere where I think there are openings for American manufactures or produce." I became interested. I said: "What has been your success?" "Just now I have been battling with the problem of introducing Indian corn into use in the armies of Europe, and I have not up till now met with that brilliant success I had expected, but I am going to keep at it, and if I accomplish what I expect, the corn crop of the United States averages over 2,000 million bushels a year, and I expect I will raise the price to the corn producer five cents a bushel on that 2,000 million bushels. A few years afterwards I called upon that gentleman in his office, and he showed me figures which demonstrated that he had actually opened a supply for a sufficient amount to influence the price in the west to that extent. I quote you this to show what can be done for Canada if rightly done. Other countries are establishing museums. There is at the present time established in Singapore, by Japan, a museum of this class; there is in the city of Mexico a museum of this class; there is one in Norway; there is one in Osaka, in Japan. Denmark has been supplying the British market with a great deal of their butter, and they cannot supply enough of it. In connection with the manufacturing of butter in Eastern Russia, which I spoke of a few minutes ago, I made further enquiries, and I found Denmark actually imported from Russia, in 1900, 24,963 pounds of butter, every pound of which was done up in Denmark and exported to Great Britain as the product of Denmark. These things are going on and the possibilities of our sharing in them depend on ourselves. You commercial representatives of the great bodies of trade, from the Atlantic to the Pacific, have you given these matters sufficient thought? I rejoice to know the Dominion Government are realizing the necessity of such a course, and have placed a sum in the estimates. I rejoice to know that the Province of Ontario has done so, too; but my fear is this, that these gentlemen, however meritorious their intentions may be, have not grasped the necessity to the extent they should, and have made this exhibition one that will fill with wonder those who come to examine the exhibits, and will fill with pride the people who bear the expense of placing those exhibits there.

I therefore beg to move this resolution :

Resolved: That this Conference holds the opinion that provision should be made at the earliest possible time for a practical trade representation of the Dominion of Canada in London, by the establishment in that city of a depot of exhibition, presided over by business experts having at their head a man of comprehensive knowledge of Canadian products, the whole purpose and scope of the enterprise being the increase of Canadian trade throughout the Empire and Europe, and the direction of the attention of the people of the British Isles to the products and capacities of Canada, both as to emigration and investment.

MR. M. C. ELLIS—I have pleasure in seconding the resolution so ably moved and supported by my colleague. This is a question which has been given a great deal of thought by the manufacturers and Boards of Trade for some time past; it has been felt that Canadian interests were not properly represented in the City of London. I am saying that without any reflection upon the capable and splendid work which has been done by our High Commissioner, but it is a well-known fact that the situation of the office of the High Commissioner and the means at his command are not sufficient to encompass the real wants and needs of the manufacturers of products of Canada; therefore it has been thought a most desirable thing to establish a central London office, and under the guidance of a well qualified trade commissioner appointed by the Dominion Government. I wish to give you a practical outline of what has been the thought expressed by the manufacturers of the Board of Trade of this city, boiled down in a few words:

First. That the Dominion Government be urged to secure a building in a suitable district of London for the purpose of exhibiting the food and other natural products and the manufactures of Canada.

Second. That this building comprise not only exhibits of Canadian goods, but that office facilities and sample room be provided there to be rented to Canadian firms.

Third. That the whole building be under control of a Trade Commissioner appointed by the Dominion Government who shall be thoroughly acquainted with the resources and manufactures of the Dominion.

Fourth. That each province be represented by a Provincial Commissioner, who shall serve under the Commissioner-in-Chief, and shall be appointed and remunerated by the Provincial Government.

Fifth. That the cost of the enterprise be defrayed by the annual appropriation from the Dominion Government, together with the rent derived from the various offices.

Sixth. That it shall be the duty of the Trade Commissioner:

(a). To become thoroughly acquainted with the British market and the sources of supply in Canada.

(b). To ascertain the possibilities of trade between Canada and the other portions of the Empire.

(c). To visit the large trade centres in Great Britain and come in touch with the various Chambers of Commerce in these cities.

(d). To establish a well equipped bureau of information, the function of which would be to supply for the use of Canadian firms any needed information concerning foreign markets.

(e). To endeavor, as far as possible, to bring to the favorable notice of all other countries the resources, products and manufactures of the Dominion.

Seventh. The Building should be a museum for the display of the natural and manufactured products of the Dominion.

Eighth. It should be the centre of commercial intelligence for everything pertaining to Canada.

Ninth. Canadian literature, maps, trade indexes, catalogues, pictures of public buildings and factories, should be found on the tables and walls.

Tenth. Intelligent and courteous Canadian attendants should be on hand to assist the visitor in his search for information.

I think it a matter of pleasure for the gentlemen here to know that the Dominion Government have already looked so satisfactorily at this question that they have granted the sum of \$20,000 towards the establishment of this exhibit, and I am pleased to say the Ontario Government have thought so well of the project that they have promised the sum of five thousand dollars on behalf of this province. I am sure with the interest that is taken in this matter that we will soon have a strong, capable Trade Commissioner in the city of London, which is really the centre of the trade world, and this will bring to Canada wonderfully increased facilities for extending our commerce.

MR. JOHN RUSSELL, Winnipeg—It would be certainly a great benefit to the Dominion of Canada if we had such a bureau of information, where all the products of Canada could be brought together, and where an intending purchaser could be furnished with all the particulars as to quantities, qualities, prices, cost of transportation and rates, etc. I think the office should be made as complete as possible, similar in many respects to the museum existing in Philadelphia. Then the bureau might gather information which would be helpful to Canadian merchants, and save them a good deal of the time and trouble and expense they are now at in getting that information.

MR. COATES, Ottawa—I quite coincide with those who have spoken to this resolution. The establishment of such a bureau will be of great advantage to Canada.

MR. GEORGE ROBERTSON, St. John—I have listened with a great deal of interest indeed to the exposition of this resolution very ably made, and I do not rise to oppose it at all, but still I think it might be well to give an opinion; it is only an individual opinion. I have very grave doubts as to whether the Dominion of Canada will receive a return commensurate with the expenditure of money that will be necessary to establish just such a bureau in London as has been outlined. Let us take from personal observation: We know that His Majesty gave to the Imperial Institute the greatest possible interest, it was heralded all over the Empire, and he sent one of his personal friends throughout the Empire with all the prestige of His Royal Highness at the time, but those who have been there lately must say it has been very, very far below the hopes of His Majesty and those interested in it. The other day I received a communication from a friend of mine in London. He enclosed a letter from Sir Frederick Abell, asking me to present it to the St. John Board of Trade, and notified them that they had taken rooms near Cheapside, where the Dominion of Canada could display their products, etc., showing they recognized that that Great Imperial Institute had been, practically speaking, a failure. I do not mean to say this would be a failure, but there are one or two remarks made by the mover that I should like to comment upon very briefly indeed. He referred to the inroads the Americans had been making in London. Has it been by such depots as we purpose having? No, sir. The inroads the Americans have made there have been by the commercial travellers, those keen, active men who never sleep, so to speak. They go over there and push their goods, and they have the force of a great mercantile house behind them that will compel them to go to work. I am afraid that unless this representative of the Dominion Government be an extraordinary man he will drop into sleeping officialdom with two or three or ten thousand dollars a year, and the business men in Canada will consider the latter end worse than the first. How few business men who are really determined to extend their business in Great Britain, care a snap of their finger whether we have a high commissioner or an agent-general of their province? He will either go himself or send his own keen representative. Going from London to one of the small towns out of London one afternoon there was a bright fellow, and I saw at once he was an American traveller. I spoke to him. "Going for a health trip into the country?" "Not much." "What are you doing?" "If you come with me I will show you; I am travelling for canned goods. I find them a hard lot here. Come over. I have got a shop there and I am cooking it for them. I have invited the ladies; we are selling our tomato ketchup and all kinds of things." That is the way they are doing the work; and if you think, gentlemen, you can get clear of the modern commercial traveller and the individual enterprise that built up Great Britain's splendid commercial history and world-wide enterprise by simply making officialdom in the City of London, in my humble opinion you are going to make a great mistake. I do not mean to say it is impossible, you may get a man—if you could get our friend here who moved this resolution to go into that position I would vote to-morrow to give him \$20,000 (applause) but with any one short of his experience and ability I fear it would be a great failure.

MR. CAMPBELL, Halifax—In connection with the Imperial Institute that institute has been a dismal failure. It is a failure because it is not a purely business

institution, and it is too far away from the centre of London. Business men will not travel down to Kensington to do business, and it is quite clear that if such an institution as this which we are discussing now is to be successful it must be in the heart of the city. Two years ago when in London I visited the Imperial Institute, and I have to acknowledge, sir, in visiting the Nova Scotia section I was absolutely ashamed of the exhibit. It would have been much better to have closed the whole thing up, because it give such an inadequate idea of our resources. I quite agree with what Mr. Robertson said with regard to the man. We in Halifax are strongly in favor of this suggestion of the Toronto Board of Trade, but everything would depend upon a first-class man, and we cannot get a first-class man unless we pay him, and this thing should be done well or not all.

MR. MUNRO, Montreal—I would like to have made two or three remarks upon this matter from the view point of the Manufacturers' Association. Any one who has travelled as I have done, over the West Indies this spring, could not but be impressed with the fact that Mr. Robertson has brought out with regard to American travellers. Those very ketchup men were in Jamaica a month ago. We must bear in mind in connection with Mr. Robertson's remarks that the United States have taken bodily possession of the Crystal Palace for the purpose of making a big show of American manufactures, and we want something businesslike as a set-off for that, and to make it the headquarters of Canadian travellers who go to England if this is to be a success. The possibilities are shown to be simply enormous.

The resolution was carried unanimously.

The Conference adjourned at 10 30 p.m. to ten a.m. to-morrow.

THURSDAY MORNING

The Conference resumed at 10 a.m. Thursday June 5th, 1902.

PRESIDENT AMES—The next subject for consideration is Consular Agencies. The Board of Trade of St. Hyacinthe has the right to move, but the Secretary has informed me that an arrangement has been made whereby La Chambre de Commerce du District de Montreal will move their resolution and a representative of the St. Hyacinthe Board will second it.

CONSULAR AGENCIES

MR. E. V. ROY, Montreal—We have been discussing very largely matters of trade relations with the British Empire, but it is now time that Canada, who has taken such an important part in trade relations with other countries, should take a further step. I have travelled a great deal in Europe, and I have remarked that in a great many countries when you speak of Canada and its commercial importance a great many people do not know sufficiently about it. That is why our Chamber of Commerce discussed this matter fully, and we were thinking of a means of making Canada more widely known in these different countries, and we thought of having—I do not know that "Consular Agencies" is the correct designation, I think Commercial Agencies would cover the point better—Commercial Agencies in the principal countries and centres where Canada is apt to trade. Other countries have understood this so well that, according to the Government statistics in Canada, we have over 300 representatives of other countries. Of those our neighbors to the South have 173 representatives, while we Canadians in all the world have only 13 representatives altogether, seven of which are emigration agents. Amongst that list of 13 the name of the Bureau of the Government in Paris is not even mentioned. That means, I suppose, that they are not sufficiently informed to be able to give information as to our trade. Of course the power given to these consuls would be

only relative to questions of trade, because Canada as a colony has not the right to accredit its own representatives, and that is what we would like to have now, to have our ministers ask that Canada should have the right to accredit commercial representatives in all these centres. I do not think it would be asking too much of our Premier to obtain this small favor. There would be, of course, a certain difficulty in naming the right representative, and another matter would come up as to the expense to the Government. In a great many cases I think these representatives would be only too glad to act as commercial representatives of the Dominion without any salary at all. In a great many centres an influential commercial man I think would be very glad to have the title of representative of a great country like Canada without any remuneration. These men could render great service to Canada. In both ways they could keep the Canadian Government informed as to the exports that might be made to those different countries. On the other hand any person in that city or country wishing information on Canada would know where to address themselves. I am sure Mr. Allan will agree with me that in a great many towns in very important centres when the name of Canada is brought up they will ask, "Where is Canada? What is Canada? What are the products?" They do not know, and do not know where to address themselves. (Mr. Allan: "Hear, hear.") It is all very well for us to establish in London a commercial depot, but we should go further.

I beg to move this resolution:—

Whereas with a view of extending the trade relations of Canada with foreign countries, it is urgent that the Federal Government should appoint commercial agents residing in the principal cities of the old and new world, and

Whereas such commercial agents will be a great help to our business men, either by introducing them to the leading commercial firms of their locality, or by furnishing most valuable information to the Honorable Minister of Trade and Commerce;

Be it resolved: That the Imperial Government be requested to recognize and accredit to foreign governments the agents appointed by the Canadian Government and other self-governing countries of the British Empire, and to grant them the sufficient attributions and necessary powers to protect our rights.

MR. S. T. DUCLOS, St. Hyacinthe—I second the motion.

MR. PERRAULT, Gaspé—This question has been fully discussed by the Chamber of Commerce in Montreal. We have been in correspondence with the Ottawa Government on the question, and we have pressed on these gentlemen the importance of having a large number of Canadian representatives all over the world. When we propose that we simply imitate the United States. We are surprised to-day that the United States are known the world over, and why is it? For the simple reason that they have 1,100 representatives that are distributed all over the world; they are represented in thirty-five different nations, whilst we in Canada have also a certain number of commercial representatives, but where are they? We have the list, which is a short one; we have about five or six, you find them in Australia, in Trinidad, Norway, Argentine Republic, Belgium, South Africa, Jamaica, Antigua and another little island. While we have those gentlemen who have been appointed by the Dominion Government, we find the foreign nations are represented in Canada by a large number of people, no less than 376 representatives, and our dear neighbors to the south, who are men of business, have no less than 175, who are distributed through all parts of Canada; so that while we have seven the world over, in some very out-of-the-way places, the Americans take good care to have 175 in Canada. That would explain to a large extent the very extensive commercial relations we have with our close neighbors. Which are the foreign nations that take the trouble to be represented in Canada? I can give the principal ones: France, 23; Germany, 12; Spain, 15; and the little countries of Norway and Sweden, you would scarcely think they have 55 commercial agents in Canada to look after their business. That is the way the thing is done. I maintain the true policy of Canada is that wherever an American representative is appointed we should have a Canadian commercial agent next door. We produce the same goods, some of them better than their own; we are quite as well developed commercially and industrially as they are, and why should we keep our light under a bushel?

As to the question of expense, the Hon. Minister of Commerce will probably say: "You are asking for a very large expenditure, and of course the Dominion Government has not got revenues enough, especially the commercial section," which is very poorly represented, I think, although we have a very great man there in Sir Richard Cartwright, but he has only about \$20,000 a year to see to the commercial representation of Canada abroad. Sir, the money that would be paid to get representatives abroad to represent the commercial interests of this country would be the very best investment that Canada could make; but allow me to tell you that out of those 1,100 American representatives we find the salaried officials amount to 300 out of 1,100; 500 foreign non-salaried appointments, that is distinguished commercial men abroad who are most happy to have the honor of representing the great American Republic in their own country without charging a cent. There are some small fees, I have seen the accounts, and they amount to a few dollars a year, for certificates when they have to sign certain certificates abroad, but practically they do not receive anything for their services. We find also that there are 300 American gentlemen abroad who represent their country, also practically without being salaried, that is, they have a few fees that amount to scarcely anything. So that the matter of expense cannot be an objection on the part of the Canadian Government. We can find a large number of gentlemen who will be very much honored in their own country to represent this great Dominion of Canada. We find among those foreign appointments in the United States that in China they have 10 Chinamen who are very glad to be representatives of the United States. In France there are 33 French gentlemen, some of them of the highest positions in the trade, who have accepted the position of representatives of the United States; and in the British Empire we find no less than 222 gentlemen who are glad to represent the United States without charging a cent in their different sections. Then in Italy there are 24, and in Turkey they have 23. We should enlarge our list of commercial representatives, and we have no business to call on the Imperial Government to allow us to do so. The gentlemen we send there are not consuls, they have no consular duty to perform; you have the British consul, who is everywhere to be found, to whom you can address yourself with full confidence if your rights as a British subject are in danger. The Government might as well appoint 700 agents, and it would not cost them a cent more. There are plenty of gentlemen in France, Spain, Germany, Australia and the United States who would be pleased to act, in fact I have had letters from most prominent commercial men in the United States who said they would be most honored to be representatives of Canada in a commercial way in their own localities. I think in that way, by distributing our blue books all over the world, by distributing maps and statistics and so on, we would get this Canada known better than it is to-day. I have travelled a great deal and have found that we are not known abroad—why? Because we do not take the means which the United States have taken to get known. With these gentlemen in every part of the world, if you have business to transact in any part you go to the Canadian representative, who presents you to the best houses, and he says, "I, representing Canada, am glad to present Mr. So-and-so, of Toronto, Hamilton, Montreal, and so on—a very good firm, he is desirous of doing business here, wish you would favor him,"—and you get introduced all over the world. The results would be enormous. I certainly favor this proposition.

MR. J. D. ALLAN, Toronto—I think there is a point that probably has been overlooked; in our present relations to the Empire have we the right to appoint consuls to foreign countries?

MR. ROY, Montreal—No; we are asking for that right.

MR. J. D. ALLAN, Toronto—A commercial agent, as I understand it, is quite different from a consul. I quite appreciate the remarks that have been made by the gentlemen who have so ably advocated this, but I am inclined to look at this rather in the light of—is it politic at present to urge this too strongly? I think there are other matters along these lines that are very much more important, for instance, had we not better concentrate our efforts upon something that we were advocating last night, the introduction of ourselves more

fully to Great Britain? Let me say to you, gentlemen, there is a point that many of you, I think, may not be fully cognizant of, actually we are not well known throughout Great Britain. I saw that most particularly marked at the exhibition in Glasgow last season. I want to say this, that Canada never made a more favorable showing than at that exhibition, and never did herself more good than she did during the continuance of that exhibition. I was present there for some days, and I was simply amazed at the amount of interest that was shown by people there from all parts of the British Isles and of the continent. It struck me this way, that we had field enough probably for a central organization to keep us busy for a little time to come, and from that would emanate what the gentlemen are urging. Do not understand me as opposing this, I believe it is a step in the right direction, but is it not a little premature? Will it not detract from the possibility of our arranging what we want in the way of a central depot in London? If not, then I would not be prepared to say one word against it. Regarding what Mr. Roy said as to want of knowledge of us on the continent of Europe, that is true. I think though, whenever I have had occasion to seek the British consul I have found no difficulty whatever in the various places on the continent of Europe in securing what I wanted. What he says as to the necessity of increasing knowledge of us abroad is also quite true. I found myself, for instance, in Russia, where I have the honor of addressing the Chambers of Commerce in German, not being able to speak Russian, that all that very large and important body knew of Canada was that it was the place where the Doukhobors had gone. In that connection let me say to our friends from the North West that I was particularly delighted at the high testimony they bore to the character and standing of the Doukhobors, and regarded it as a national crime that they had been forced out of Russia. They said to me, "Tell your people to have patience with these people until they become habituated to your ways, and acquainted with their surroundings, and Canada will bless the day she brought the Doukhobors there." (Hear, hear). I merely make these suggestions in order to see if the gentlemen have fully thought out this difficulty which may be in the way of the British Government giving us power.

MR. ROY, Montreal—Mr. Allan is alluding to Consular Agencies; when I moved the resolution I made the remark that Consular Agency was not the proper designation, but rather Commercial Agencies.

MR. ALLAN, Toronto—I regret I was not in when Mr. Roy commenced his remarks.

MR. MUNRO, Montreal—The object of this resolution is to improve the status of the trade representatives which Canada has already, and to have more appointed. The idea is that our Government should accredit private commercial agents at certain points, and that the Imperial Government should be asked to acknowledge them and give them their support. I just wish to say a word as to our country having men who are unpaid. We have men now that are comparatively unpaid, and these men are worse than useless to us. There are three sets of men in the West Indies; one of them is *non est*, he could not be found; the next one has a brass plate signifying he is Commissioner for Canada, and is at the same time agent for American flour; there is nothing Canadian about his place. I put it to him straight, that in every island we visited there were some men to champion Canadian interests and Canadian flour, but when we come to an island where we have a commissioner, and the one man that deals in flour, you cannot praise Canadian flour. The same is true in another island. A commissioner there showed me his letter of authority ten years old. I asked what it implied, and gave him full scope to answer freely, and I said to him: "It appears, then, it is no part of your province to initiate trade, you merely answer correspondence and so on. I have been around your warehouse, and I do not find a vestige of Canadian goods in all your stock." "It is true," he said; "I do not handle Canadian goods." "Is it not part of your business to handle Canadian business?" "It is my part to answer correspondence." Canada is not a whit better off, but a little worse for them. We want to raise the standard of the commissioners, and to get men who will give their whole time, and we would then be able to extend the trade of Canada.

MR. PERRAULT, Gaspé—I cannot allow these remarks to pass unnoticed. I regret that the Government has been so ill-advised as to appoint these gentlemen—that is all that proves, it proves bad administration, it does not kill the principle. When we see the United States, France, England, Germany and every other commercial country appoint so many of these agents I do not think it belongs to us, who have done nothing, to criticize that principle.

MR. MUNRO, Montreal—Nobody is.

MR. PERRAULT, Gaspé—Yes. Are we not paying our own expenses to come here and speak for Canada, and are not there men of standing who will be glad to speak of Canada abroad? Have not I been twice to London myself to attend the Chambers of Commerce of the Empire at my own expense? And you have scores of gentlemen who have attained wealth and social position who would be glad to have the honor of representing their country and doing their very best to promote its interests. Some of the best men in France are ready to represent Canada. They know Canada was a colony of their's one time, and they are ready to help Canada. So it is in England, you have a number of gentlemen there who will be honored to be commercial agents of Canada. So in Germany, and everywhere else. I am glad to say it is the Province of Quebec that started this question, and shows itself ahead of the times. I think Canada would be neglectful in its duty if it did not adopt this plan.

MR. ROY, Montreal—There is nothing in the resolution about paying or not paying; I think it would be wise to let the Government decide as to that; we cannot dispose of the Government's funds; we can ask them to name these agents.

MR. SAUNDERS, Goderich—I have just returned from a trip to the Old Land, and I was very much struck there with the reception I received because I was a Canadian. If ever I felt proud of my being a Canadian it was on this trip. I was told there many amusing incidents in regard to American salesmen. There is a difficulty about getting into an Englishman's office, but I did not experience any owing to my being a Canadian. I took the precaution to mark my card, "Goderich, Ontario," and when they saw that on the card I got immediate admission, and in only one case was I asked to wait for four or five days.

I am sorry to see so many solid headed business men as I see around me acting upon feelings of sentiment rather than hard headed business experience; while I admire our Montreal friends in putting forth this motion I feel they are acting too much on sentiment, and not on business experience. I know there are many people who will feel it an honor to act for Canada, but the moment you have hired help their services are according to the salary they receive. I would suggest instead of "Consular Agencies" we should adopt Mr. Roy's suggestion, "Commercial Agencies." I say pay them a good salary.

PRESIDENT AMES—The resolution proposed Commercial Agents.

MR. SAUNDERS, Goderich—I feel from the experience I have had in England that the time is just now ripe for manufacturers in all lines in Canada to push their business. I was not there five days before I got more trade than I could handle, I refused double the orders, and I will go back and take these orders if I can enlarge my factories. There are two points to observe in shipments to the old country, quality of goods and prompt delivery.

MR. BELL, Winnipeg—I would like to say, on behalf of the Western members, that while it is not a matter that comes particularly and directly to us, we have only a general interest, yet we heartily endorse this. We want good men to represent us, we would like to have good men who would do this voluntarily. I represent a foreign country in Manitoba and they do not pay me, and I am sure I have been able in two or three directions to direct importations from that country to Manitoba. I did not ask anything, I was glad to afford the information to get goods cheaper for our own people, and possibly in the future to send some of our goods down there. There is no reason why we should sneer at men who will act voluntarily. We most heartily endorse this proposition. Let me just say one word about a case in the far East. A Japanese Prince, who was representing Japan on a mission in England and America, spent an evening with me at my house in Win-

nipeg just immediately after the Japanese and Chinese war, and he gave me an instance of why Canada should have representatives in some form in Japan and China. He said at a certain place they had contracts with some American contractors to deliver flour for the Japanese army. He said, "On one consignment we had 1,000 sacks of Ogilvie's flour, and the different regiments sent to me to get some more of that flour, for it was the finest flour they had seen." The contractors had been shipping Oregon flour. He went to the American contractor and said, "We want some more of that flour," and he was told, "That comes from a mill down near a place in the United States called Chicago, and it was such good flour they had to throw it down, and to-day we could not get another sack of that for love or money." He said, "When I landed in Vancouver the first thing I saw in the little grocery stores was Ogilvie's flour, and then I regretted Canada had not made herself known, and the American had pulled the wool over my eyes, and I had not been able to get what I wanted." We do not want the standard brands of goods in this country located down near Chicago when they are so good.

The resolution was carried unanimously.

FAST STEAMSHIP SERVICE.

MR. G. S. CAMPBELL, Halifax—When the invitation from Toronto came down to the Halifax Board of Trade, there was one subject which seemed to appeal to us more strongly than any other—I refer to that of transportation, and we thought this Congress would afford an excellent opportunity to bring before the various Boards of the Dominion this very often discussed question of a fast Atlantic service. We therefore sent up the resolution which appears in our name, and it is quite clear that Halifax is not alone in thinking of the importance of that question, because there are no less than six resolutions on the same subject. I would just like to take this opportunity of thanking the Toronto Board of Trade for having been courteous enough to place our resolution first on the list. We feel that this is a compliment which has been paid by the West to the East, and we very much appreciate it. We are quite well aware, Sir, that the mere fact that this resolution has been placed at the top of the list does not mean necessarily that this resolution will be carried; in fact we have been looking over the resolutions which have been presented on this subject, and we have also been talking with some of the delegates on this subject, and we have decided not to move our own resolution, and the suggestion which I make is this, and I hope it will meet with the unanimous decision of the Conference: that we take the preamble of the Montreal Board of Trade resolution, which we think is excellent, and that we take the Toronto Board of Trade resolution—we have no objection to the Montreal resolution as a resolution, it is excellent referring to transportation facilities throughout the Empire generally, but we do not think it covers the ground with regard to a fast Atlantic service. I think we were all glad to see by the morning papers that there is evidently at last a chance of this service being organized, but I also read in the papers that the question of subsidies does not come until the meeting of Premiers in London, and therefore it is quite clear that it is just as important for us as ever it was to place our views very forcibly before our Government before the Ministers go to London. You will permit me then to give a few reasons why we think this service would be of advantage to the Dominion. I might say also that we do not come here asking for any special consideration of the Maritime Provinces in connection with this question, we take the broad ground that this service is in the interest of the whole country, and on that ground alone do we ask you to support the resolution. I suppose it will be admitted generally that we do require better mail and transportation facilities between Canada and the United Kingdom, but when we come to the question as to how far the Government would be justified in going towards improving those facilities then there may be some difference of opinion. We hear it stated that Canada cannot afford a fast service, that she neither has the wealth nor the population to justify it, that it will never pay, that the more you increase the speed of the ships the more you decrease the carrying capacity, that somewhere about an 18 knot service is all we require. We in Halifax believe that

this service should be really a fine service, and first class in every particular, and I think in saying that we represent the great body of opinion in the Maritime Provinces. The mistake those gentlemen seem to make is this, that they look upon this as a purely commercial undertaking. We know that a service of 24 and 25 knots would never pay us as a commercial undertaking in the meantime in Canada, but it is more than a Canadian undertaking, it is a national and Imperial undertaking, and we ask under these circumstances for national and Imperial support. Now, we have what advantages? In the first place we have geographical position which assures the shortest possible voyage across the Atlantic; we would be absolutely throwing that advantage away unless we have the fastest ships. If we can reduce the Atlantic voyage to four days or even less it will have an immense effect not only in Canada but in the United Kingdom and in the United States. There is the question of our mail service. I am sure we have reason to feel humiliated at the fact that the great proportion of our mails continue and have for years continued to pass through the United States ports. If we had, say a 24 knot service crossing the Atlantic to a Canadian port not only would we carry and dispatch all our own mails, but we could land mails in New York by a Canadian port in quicker time than we now get them by direct service. Then, there is another advantage which we refer to in our resolution: this line of ships would give an excellent opportunity for the quick transportation of perishable freight. We know there is an illimitable market in the United Kingdom for our products, and particularly for our perishable products such as poultry, fruit, butter, eggs and so on, and the important thing about those products is that you want to get them as quickly as possible into the hands of the consumers. With steamers such as I have spoken of sailing regularly from Canadian ports they would give an immense stimulus to our export trade, especially in perishable goods. Then, there is the passenger business. I have heard it said by somebody that Canadians are too poor to travel by fast ships. I think we had better give our Canadians a chance. (Hear, hear). Where does the cream of Canadian travel go to-day? It goes, as we know, through the port of Boston and New York, and why? Simply because they get better ships and make shorter passages. I was speaking to a gentleman last night, a prominent member of this Convention, and he told me he had crossed thirty or forty times, and he had crossed only once in a Canadian ship; why? Simply to save time. When I was in Montreal I was speaking to a steamship man, and he told me there were 250 passengers came across the Pacific to attend the Coronation, and less than 100 of those passengers took passage by a Canadian port; about 175 of them went by American ports. If we had had first-class Canadian ships we would have had every one of those passengers, and we *should* have had them. I think Canadians have sufficient pride and patriotism to patronize their own ships if they only get a chance. There is another item mentioned in our resolution, and that is emigration. We all concede that is a most important item before Canada to-day, and we say a line of fast ships running between Canada and the United Kingdom would give a valuable stimulus to emigration. Another thing, those ships would leave British ports, and the emigrants that would come by them would be probably of the very best class. Another point, if we are going to have a fast steamship service we must have an improved land service; this is going to give an improved railway service. Geographically we are far apart; what we want is cohesion, and there is no better way of producing that result than by improving transportation facilities. Another point is, we are going to take up the question of Imperial defence, and those fast steamships will be a very important factor in that question, because, naturally, ships subsidized by our Government and by the Imperial Government will be to a very considerable extent under the control of those Governments, and would be at the call of the Admiralty in time of war, consequently our contribution to these ships might very fairly be considered a contribution towards the defence of the Empire. We think this is a most opportune time for our Government to approach the Imperial Government on this question, because we know that recently the American capitalists have acquired control of the principal transportation lines, and there is great fear that the commercial supremacy of the ocean is going to be transferred from the British to the American flag. Those fears are probably exaggerated, but we say

this is an excellent time for our Government to approach the Imperial Government, and we believe they will find them in a most receptive mood. I hope we will not be faint-hearted about this question, but that we will take the bull by the horns and provide a first-class service; let us have confidence in ourselves; Canada has never made a mistake when she has had confidence in herself. (Hear, hear.) We want a first-class service, and nothing else.

MR. DE WOLFE, Halifax—The mover of this resolution has gone so fully into the question that I rise only to second his motion; but I would call your attention to the fact that the preamble of the Montreal and the complete Toronto resolution is not sufficient, it does not cover the ground we want; we will have to embody in that the last part of the resolution of the Halifax Board of Trade. I hope the delegates here will support this resolution heartily; the time is opportune.

MR. CAMPBELL—I co-operate in the suggestion of the addition of that clause Mr. DeWolfe has mentioned.

MR. MCFEE, Montreal—The preamble of this resolution is the preamble of the Montreal resolution. Our resolution includes, no doubt, the principle of a fast line. We are not here to oppose a fast Atlantic service at all, but our resolution includes a fast Atlantic service as well as other fast lines. We include a Pacific line as well. I will support the resolution that is before us, but I wish the resolution of the Montreal Board shall be brought up as a separate resolution.

MR. DRUMMOND, Montreal—Our Montreal resolution is practically in the same position as that of yesterday. If you read our resolution you will see it is wide and imperial. I think if the Conference would pass the Montreal resolution first we will then support the resolution which is before us.

MR. CAMPBELL—I had not time to consult the various Montreal members before moving the resolution, and as I said before we quite approve of the Montreal resolution as it stands, except it is not definite enough on the fast Atlantic service. If it is agreeable we would be very glad to support the Montreal resolution as it stands, and then support the Toronto resolution with our addition.

The consideration of Mr. Campbell's motion was deferred until the Montreal resolution was dealt with.

MR. THOM, Montreal—As representing the Montreal Board of Trade I have very much pleasure in introducing the subject of steamship communication between different parts of the Empire and the Colonies. This resolution was prepared solely from the standpoint of Imperial and Colonial interest, and we endeavored as far as possible to cover what we thought would be in the best interest of the Empire as a whole. The resolution reads:—

Whereas the marine commercial supremacy of Great Britain might be unfavorably affected by the Steamship Trust recently formed by American Capitalists;

Whereas in the opinion of this Conference it is the duty of Canada as the leading Colony of the Empire to assist in retaining for the Empire said commercial marine supremacy;

Whereas in the Canadian Pacific Railway Canada possesses one transcontinental line, and another line, under construction through Canadian territory, will also connect the Atlantic and Pacific oceans.

Whereas in the commercial contest between the British Empire and foreign countries the question of rapid and efficient steamship service both on the Atlantic and Pacific oceans is of urgent importance;

Therefore resolved: That this Conference of Canadian Boards of Trade urges upon the representatives of Canada at the Conference to be held in London in June next between British and Colonial statesmen, to impress upon that gathering the importance of the Mother Country and the Colonies adopting a policy under which, (by subsidies or otherwise) fast lines of steamships will be secured and retained for the development and control of trade between the United Kingdom and her possessions, and between the Colonies themselves, and for the provision of good mail services.

(Subsequently Mr. Thom eliminated the whole of the preamble, and the words "by subsidies or otherwise" in the resolution itself.)

The first matter we seem to refer to is the question of the steamship trust, which has no doubt received a great deal of attention from everybody in Canada, and has been receiving a great deal of attention on the part of the British ship owners. The

opinions given over there are not altogether unanimous. Many are of the opinion that it is a good thing to the British ship owner to be able to palm off on the American capitalist a great deal of tonnage that was almost obsolete, paying a price for it fifty per cent. more than it was worth, and in a matter of a few years this tonnage will become useless; in the meantime British enterprise will continue building. On that point I am not at all afraid but what Britain will come out on top notwithstanding Pierpont Morgan's connection with railways and so on.

The next point we touch on is that we are the leading Colony of the Empire, with a population of five and a half millions and with a very large country, and I think it is only right that we should go heartily into the matter of communication between the Motherland and Canada, and anything we can do to strengthen the bond between the countries should be done without any hesitation. It is not a question of money altogether with us, in fact that hardly should be considered. What we want is the best communication possible not only between Canada and Britain, but we want communication between Canada and all the other Colonies; we want communication with South Africa, with the West Indies, and with Australia, we want to make it as extensive as we can, and advertise Canada in the best possible manner. There is a large field for Canadian goods, in South Africa, and no doubt our manufacturers will be in a position to supply them with a good deal of the machinery required, and our friends in the North-West will be able to supply them with what flour and wheat they may want.

We have next considered the question of the Canadian Pacific Railway and trans-continental line. There is no doubt but that that railway has done a very great deal for Canada, but there is also the fact that Canada has done a very great deal for the Canadian Pacific Railway. (Hear, hear.) Some may say there is not sufficient trade for another line from the Pacific to the Atlantic; we think there is, and every intelligent effort should be made towards increasing the facilities from the West to the East. There is already building another railway, and by all means let us support another railway company. If competition is the life of trade, I think, possibly, another railway will be the life of the North-West of Canada. Not only should we encourage railway lines, but let us encourage that communication. Our Government has done a great deal in canal accommodation, but we want a little more water communication to keep down the cost of transportation. I think we should encourage, as far as we can, the French River scheme, a scheme that has been spoken of in our Houses of Parliament, and I have it on the authority of one of the Ministers that that canal would be navigable by vessels drawing 20 feet of water. If our canals to-day, which are the finest in the world having a draught of 14 feet, had a draught of 20 feet how much better off we should be. If that canal reaches to North Bay the same authority states he understands the Canadian Pacific Railway will build a double track from North Bay to Montreal. That would be an enormous advantage to the trade from my port, and I only hope it may be brought about.

The next item in the preamble we seem to have considered was the question of rapid and efficient steamship service both on the Atlantic and Pacific. I do not know whether this heading will cover the resolution that is about to follow, the question of rapid steamship service; I do not wish to speak on the subject just now, but I may say it is certainly very desirable that we should have a fast service on the Atlantic from our Canadian ports to Britain, and also from the Pacific coast to China and Japan. We want fast steamships there, steamships that will bring us passengers from the West, as we know there is a very large passenger traffic from there, and then we want fast railway communication from the Pacific to the Atlantic, and fast steamers from the Atlantic to the British ports. I do not intend to make any remarks as to the question of speed, I do not think the question of speed came up at all when considering this matter. There cannot be any doubt in the mind of any gentleman present that this subject is one of the very greatest importance, and should receive the first attention at the hands of Sir Wilfred Laurier when meeting the Premiers in London. This fast service will not only be a benefit to Canada, but will benefit those in Britain equally as well. This matter of fast service can only be maintained by subsidies and subsidies of a very considerable

amount. What these figures are I am not prepared to say, but in reading an article in one of our English Journals on the question of Colonial support, and in opposition to the Pierpont Morgan scheme the writer is very strong on the point of subsidies from the Mother Country to steamers of that sort. I will read an extract from "Fairplay."

"Mr Morgan and the leaders of advanced commercial thought in America have realized that the commercial prosperity of a country depends upon the cheapening of the channel between the producer and the consumer. We and our Government must learn the same lesson. Steamship channels should be maintained to all the colonies at whatever cost is necessary, and colonial produce should be enabled to reach our markets in fair competition. In order to bring this about the country must agitate for subsidies equal to those of any other country for the establishment of steamship lines to all our colonies, the abolition of light dues, and better legislation for shipping."

I think that covers anything I should say on the subject, and I trust the resolution of the Montreal Board of Trade will receive your favorable consideration. (Applause).

MR. JARVIS, St. John—It affords me great pleasure to second this resolution, which, in its general terms, will commend itself to this meeting generally. There is a difficulty, perhaps, about having two resolutions in such an important subject as this, because it is just possible it may hamper the actions of those who have to carry them into effect, and I think we will attain our end better by passing this resolution of the Montreal Board of Trade, and then leaving the details to be worked out in the Conference on the other side. This is what we have been aiming at for the last 20 years in St. John. We have had public discussion after discussion, passed resolution after resolution, and I am glad this question has attained the position it has to-day. During the last three or four years a new era has begun in the history of Canada, of South Africa and of the British Empire throughout the world. Those events which have passed over the Empire in the last three years have linked us together in sentiment, and while I agree that sentiment is not to be the ultimate guide in our resolutions, we need to have sentiment in all parts of the British Empire; but we must back that sentiment up from the business standpoint, and the way to follow that up is by endeavoring to develop the great question of transportation, and that question of transportation is closely linked with better lines of steamships and better railway communication in all directions.

MR. EATON, Owen Sound—I would suggest that the third paragraph of the preamble be left out. In my opinion it is most desirable that this fast Atlantic line should be freed from the control or domination of any railway company at all.

MR. H. J. WICKHAM, Bobcaygeon Board of Trade—This subject of subsidizing fast steamship lines is one which has been brought before the Canadian public by an organization which I have had the honor to be secretary of for some eight years, and I wish to read three or four lines which embody in a few words the conclusion arrived at, the policy which the Navy League in Canada has been advocating:

"I feel convinced that Great Britain and her great self-governing colonies, by uniting in a well considered and comprehensive scheme for the liberal subsidizing of fast steamship lines of the class I indicate between the various parts of the Empire, manned and officered exclusively by trained men of the Royal Navy Reserve, and always ready for an emergency, will secure the means whereby our trade would receive adequate protection, and the means adopted, by facilitating and stimulating inter-Imperial and inter-Colonial trade, will build up and solidify the Empire."

There is one aspect of the resolution which is now before this Conference to which I wish especially to address myself; it is the history of the steam navigation of the world, and the manner in which the governments of various countries at different times have addressed themselves to this subject, because, sir, of all the industries which we can conceive of making for the welfare of any country I contend

that the shipbuilding industry and the navigation industry is easily first. (Hear, hear). I suppose speaking to an assembly of gentlemen like you it is hardly necessary for me to emphasize or repeat general principles which have been laid down by such writers as Capt. Mahon, but at the risk perhaps of telling the gentlemen what they have already read for themselves many times, I may say that we should very carefully consider what the teachings of history have been in this connection. Capt. Mahon in dealing with the question of sea-power,—and mind you by the word "sea-power" he does not simply deal with military power, but he speaks of commercial power as well,—lays it down that those nations who, though comparatively small and insignificant, have stretched out their arms and by a wide and judicious policy have strengthened and fostered their mercantile marine, have become great and prosperous, and he goes on to point out that the nations who by reason of their internal resources and the richness of those internal resources have allowed all their policy to be directed towards the development of those internal resources, have suffered by neglecting to develop at the same time maritime industries. This question of the subsidizing of mail contract steamers, or merchant steamers all over the world, is one which from time to time has received the consideration of every country which aspires to be a nation, and we in Canada at this period of our history have this great advantage, that we have the experience of all other nations to go to in order to adopt that policy which suits our position and our requirements the best. The United States have been considering within the last few years this general question of subsidization of their steamships and the improvements of their maritime facilities, so that the foreign carrying trade of the United States amounts to something like \$170,000,000 or \$180,000,000 in a year, and the people of the United States realize that \$170,000,000 or \$180,000,000 might just as well be paid to American steamship companies as to foreign steamship companies for doing their trade. The history of steamship navigation commenced about the year 1839, when the British Government first gave a subsidy to the Cunard service, and for the next forty years Great Britain spent over forty-five millions of pounds sterling in developing her large steamship lines all over the world. That is in defiance of the general principle of free-trade which Great Britain has been following in other respects; it was not simply done on commercial lines, in fact it was done, as has been admitted by Mr. Scugamore in a report to the British House of Commons, in defiance of commercial principles. It was necessary, and the Government saw it was necessary that they should control and have, for semi-political reasons, lines of steamships connecting them with their colonies in various parts of the world, and they were prepared to pay the sum necessary to insure that. I do not mean to say for one moment that this policy of starting these fast steamship lines has been the sole cause of the shipbuilding industry which has been established in Great Britain, but I do say this, it has done a very great deal in that direction; and we find Germany, France, Russia and Italy realizing the great advantages which Great Britain has derived from her steamship connections, and the power she had in her mercantile marine, have all set themselves about to endeavor to follow her example, and they have all made use of her experience, and they have all unanimously almost, adopted the principle that if they want to have sea communication the Government of the country are justified in spending within any reasonable limit whatever money may be required in order to perfect that communication. Noticeably, I think the example of Germany in this respect is one which should receive very careful attention. Notwithstanding what Mr. Pierpont Morgan has done it is evident the policy of the German Empire has been such that he cannot control their steamship lines, in fact, the contract with the North German Lloyd Steamship Company expressly forbids anything of the kind, and I think there should be an entire revision of the holdings upon which companies operate steamship lines, having in view all such possible contingencies as combines affecting national questions.

MR. THOM, Montreal—With your permission I wish to make some slight change in the resolution offered by the Montreal Board of Trade. There has been some slight objection raised to a portion of the preamble, and I would like to have



removed from the resolution the entire preamble, also the words, "by subsidies or otherwise," in the resolution itself. We are not particularly interested how the lines are kept up so long as they are kept up, and we hardly think it is desirable that we should say to Britain how she shall keep it up.

MR. THOMPSON, North Sydney—Do not the conditions already exist? There is a fast line between the United Kingdom and Asia, between the United Kingdom and Africa, between the United Kingdom and the West Indies and South America, and the only spot we have no fast line to is Canada, and what we want to get is a fast Atlantic service.

MR. DRUMMOND, Montreal—I think the gentleman has not read the resolution. If he reads the resolution he will see it is not only between England and her Colonies, but between the Colonies themselves. There is no fast line between Canada and Australia. We would like that resolution carried, and then we will join in with this Atlantic service resolution.

MR. W. F. HATHEWAY, St. John—I have just received a letter from the St. Stephen Board of Trade, three lines of which I will read:

Resolved: That this Board is of opinion that the first effort of the Dominion Government for the establishment of a fast line of Atlantic steamships should be in the direction of a fast trade service.

The resolution moved by Mr. Thom, with the preamble and the words in the resolution, "by subsidies or otherwise," eliminated, was carried unanimously.

PRESIDENT AMES—We will now have Mr. Campbell's motion, consideration of which was deferred until the last resolution was dealt with.

MR. CAMPBELL, Halifax—It is understood this resolution refers specifically to a fast Atlantic service, and I beg to move:

Resolved: That the establishment of a fast Atlantic steamship line from a Canadian port to a port in Great Britain would assist trade in the Dominion, would increase our export trade, especially in perishable products, would add greatly to the volume of passenger travel through Canadian channels, would give an impetus to shipbuilding in Canada, and would, with the aid of our Trans-continental railways, bind the different portions of the Empire more closely together.

Further resolved: That speed should be the first consideration in the selection of ports of call and terminal ports, and that the conduct of the enterprise should be under the control of the Dominion Government.

And further resolved: That our representatives at the London Conference be respectfully asked to seek financial support and co-operation from the Imperial Government towards an undertaking of such importance to Canada and the Empire.

MR. DEWOLFE—I rise to second this motion. We have already discussed the matter, and we ask your support to this not as a Canadian fast service, but as one link in the chain which cements the Mother Country with all her Colonies.

MR. C. B. WATTS, Toronto—I wish to propose an amendment if the suggestion will not be accepted by the mover of this resolution, by adding thereto the following:

Resolved: That our Government should make it a standing condition of all subsidies, grants and bonuses that the rates charged from Canadian ports shall be as low as the minimum rates through American ports for the same distance or on United States products.

We in Canada have for years been granting bonuses and subsidies to our railroads and our steamship lines, and I think that every business man here will agree with me that one of the great results has been that in many cases American products have been carried over our lines at much lower rates than our Canadian goods, and it is the bonuses and subsidies which we have granted the railroads and steamship lines which have enabled them to do this and at the same time pay their dividends. Our Governments, both Provincial and Dominion, every year vote thousands, and in fact sometimes millions of dollars in bonuses to our railroads, and they do not get stock or any other return for it whatever. I know from personal knowledge that in some instances these bonuses go into the pockets of promoters, because in addition to the bonuses they get authority from the Government to bond the roads for the full cost of those roads, when you take into consideration the muni-

cipal bonuses and the provincial bonuses which they receive in many cases. I do not think there is a single business man here that in voting a municipal bonus to a manufactory in his own town would allow them to provide for their rival towns cheaper goods than they would sell at home, and in this case there is a much wider principle involved, because here we are providing the means of transports through our Canadian ports, and as one of the speakers said yesterday, it is a sentimental matter to a certain extent, why should we not make it a business matter, and if the Dominion Government will make it a condition of all future bonuses, subsidies and grants that we should have at least as low rates as are granted through American ports, and as are granted on American products for similar distances, then we will have an opportunity of getting some return for our money. I think you will find that the adoption of such a clause as this would work a wonderful difference in rates in a very short time. As soon as it could be made at all universal in its application, the business men and the farmers of this country would receive a very great benefit from it. Those of us who are dealing with freight rates know full well that one of the greatest difficulties we have to meet with is that we do not know what freight rates we have to compete with. The grain exporter here in Canada will figure his cost of grain, his freight rates, and give his quotation to his foreign correspondent, but he does not know but what some freight agent that gives him his rate has given his American rival a much lower rate on American wheat or products of some kind. The same thing is true of our cattle trade, lumber or any other industry. I think in this way we will do one of the greatest things for the Canadian business man. I think there is no more opportune time than the present to bring this matter up. There has never been such a Conference of the business men of Canada as is here to-day, and I think there never was a time when we should stand up for our rights as at this time, and ask the Government to take action along this line. There is one other matter besides freight rates in that connection, and that is emigration rates. We are spending every year enormous sums to promote emigration into Canada, and what do we find? You have seen it in the public press the last few weeks that if the Canadian Pacific Railway would not make such rates as the American railroads practically dictate to them, they would prevent any emigrant rates being collected over American steamers to Canadian points. It may be we may spend hundreds of thousands of dollars for the promotion of emigration, but the steamship companies make such high rates that the emigrants are taken to American points, because the steamship companies and associates will not give such rates as will reach Canadian points. This is one of the most essential matters for the future of Canada that we have to deal with in this Conference, and I will be very glad indeed to see some gentleman second this motion and see it carried unanimously.

MR. THOM, Montreal—I would like to make a short reply to the gentleman who has sat down. I think his remarks referring to freight rates are a little irrelevant with the motion that is before the Conference, but I may say that so far as freight rates are concerned, west-bound and over those lines receiving subsidies from the Government, it is already provided that rates by way of Canadian steamers and Canadian ports shall in no case exceed the rates by way of American ports. So far as east bound business is concerned, that, I take it, will govern itself; all freight rates from Montreal are taken in competition with American ports. I do not see how the matter should be introduced into any resolution whereby the Government should control east-bound rates. On the matter of west-bound rates I grant you it can be done. As to the matter of emigration, I do not have the fear that the gentleman has who has just sat down, that the steamship lines will make such rates to Canada that it is almost impossible to get here. To admit that would be to admit that the Pierpont Morgan scheme would be taking the trade in British goods, and putting it into the hands of a few American shipowners. Such is not the case, because the amount of tonnage controlled by the Pierpont Morgan scheme amounts to something like 840,000 tons, and the amount of tonnage under the British flag is something over 14,000,000. How is it possible that a man controlling such a few steamers could at all dictate as to what policies the other steamship lines should take? It is quite true the principal of these lines are fast

passenger lines, but there are a large number of other steamers not in this combination. We have the Elder-Dempster, and they are carrying a large number of passengers from Britain and the Continent in competition with American steamship lines. The Canadian Pacific Railway, as a matter of fact, are making the rates from Halifax, St. John, or Montreal, \$12.00 through to the North-West. I think that is low enough. I do not think we need fear that Pierpont Morgan's lines are going to hurt us in any way. In this morning's paper I see it mentioned that perhaps there will be a British combination by Sir Alfred Jones and Sir Christopher Furness. If that goes into force I do not see that we need have any fear.

MR. FLAVELLE, Lindsay, seconded Mr. Watts' amendment.

MR. G. S. CAMPBELL, Halifax—We will accept that addition to our resolution.

MR. DEWOLFE, Halifax—The phrase "as the minimum rate" is rather conflicting, because there might be times, owing to some unexpected competition, that rates in the United States would come down below the cost of carriage. Why not leave it as low "as the rates?"

MR. WATTS—We might put the word "established" rates. We do not want to be too open. We want to be very guarded about that. I had a long conversation with the general freight agent of the Intercolonial some time ago, and he told me that stuff is carried over the Intercolonial Railway at non-paying rates, and the fact that stuff is carried at non-paying rates should make no difference. As long as our Government grants subsidies for the encouragement of the commerce of Canada we should be entitled to as low rates as their rivals are giving, no matter whether they are below cost or not, as we give these subsidies because we expect they may have to carry some freight below cost.

PRESIDENT AMES—May I suggest the word, "current" rates.

MR. WATTS, Toronto—That will meet the difficulty. Some gentleman has said that the railways do not control the steamship rates, and the steamships do not control the railroad rates. I happen to know from a conversation with a General Freight Agent of one of our great Canadian lines a short time ago that the rates are practically made by a combination of the two interests at all times. The railroads undertake they will do certain things for the steamship companies, and the steamships undertake they will do certain things for the railroads, and the rates made by either parties are carried out by the other. I think this resolution is broad enough.

MR. THOM, Montreal—How are you going to arrive at the current rates from the American ports? Speaking as a steamship man, I have to carry freight across the Atlantic in competition with these ports, I am carrying freight at a loss. If you are going to establish a minimum rate, well and good, but how are you going to pass any resolution that the Government shall say that steamships from Canada shall not charge more than the steamships from American ports? How are you going to arrive at the rates from the American ports?

MR. GEORGE E. DRUMMOND, Montreal—I think it would be a great pity if the question of securing a fast line from Canada should be strangled by adding to this resolution the amendment moved by Mr. Watts. I am quite sure our Government will attend to that matter when the time comes. It may be that the railroads, like any manufacturing concern, have to do their business in the best possible way, along the best channels, and that may involve a certain amount going by American ports, for one reason or other, but I would not hamper this very desirable resolution by tying a weight on it at the present time. (Hear, hear).

MR. JOHN MCKAY, Sault Ste. Marie—Would not the law now applicable to all railways receiving Government assistance be applicable to this fast steamship line, that is that the fares or rates, whether passenger or freight, shall be subject to Government regulation, and allow the Government a free hand to conserve the interests of Canada as best they can under the circumstances which may arise, which we are unable to grasp at the present time?

MR. DEWOLFE, Halifax—I think Mr. McKay's suggestion is better than the amendment.

MR. THOMPSON, North Sydney—This is a detail which can be arranged when

the contract is made with the fast line. I notice the German contract with the North German Lloyd Steamship Company, that the public and exporters are protected in this respect. The rates are subject to the approval of the Government, and also there is a provision that when foreigners are offering trade to compete with Germany the steamship company shall give the German shipper a preference. There are a lot of regulations that are given in detail, and I think we should not pin the amendment to this resolution.

MR. CAMPBELL—We accepted the proposed amendment from Toronto, not because we desired it specially, but to facilitate the passing of this resolution. As far as we are concerned, we would rather have the resolution as I originally proposed it, but rather than have any difficulty we would accept the amendment.

MR. DONNELLY, Kingston—We are very apt in a Conference of this kind to think very largely of the individual interests which obtain in the district where we come from, and that is very natural. If Sault Ste. Marie is starting railway lines, and I hope they will build lots of them, they are likely not to want anything of this kind. Halifax is interested to get this fast steamship line across the Atlantic, and they do not want it particularly. Mr. Thom, representing a steamship company in Montreal, does not want anything of this kind tacked on; I submit there is a very large majority of the people of Canada interested in this question.

PRESIDENT AMES—I think you are verging on the point of suggesting motives.

MR. DONNELLY—I beg your pardon, Mr. President, I had no intention at all of doing that, but I want to talk plain facts to this Conference of plain business men, and I therefore say if the people of Canada grant subsidies to build steamship lines, and grant subsidies to build railroads, we should have such a resolution as is intended by this amendment, and I think this Conference should put itself on record upon this matter, that as a general principle in future where subsidies are granted to build steamship lines or railroads the people of Canada should have through their Government something to say regarding the rates at which their produce should be carried.

MR. EATON, Owen Sound—I shall support Mr. Watt's addition to the resolution. I hope it will pass in order to facilitate the business of this country. It is necessary that the people should be protected. It will be the people's money which pays the subsidies, and the Government should look after the interests of the people.

MR. DEWOLFE, Halifax—I think instead of passing Mr. Watts' resolution as an amendment, it is of sufficient importance to be a resolution itself, and I would ask that the Conference would treat it as a separate and definite resolution.

MR. H. J. WICKHAM, Bobcaygeon—I think such a resolution as has been framed by Mr. Watts should not be confined to the trans-Atlantic service, but should be more generally applied to all steamship lines which the Canadian Government should subsidize in future.

It was agreed that Mr. Watts' amendment should be taken up as a separate resolution.

The motion of Mr. Campbell was carried unanimously.

PRESIDENT AMES—Mr. Watts' resolution is now before the house.

MR. WATTS, Toronto—In moving the adoption I would simply say the reference made to the action of the German Government with the North German Lloyd Line shows exactly what other governments are doing, and is the strongest justification for our taking the step we are asked to do to-day.

MR. THOM, Montreal—Before the motion is put I would be very glad to get a little information from the gentleman who made the statement that the German lines have some arrangement with the Government as to freight rates; would that gentleman be good enough to tell me what it was he said on that point, as I did not hear him distinctly?

MR. THOMPSON, North Sydney—The company are prohibited from carrying goods cheaper, say from India to England, than from India to German ports, and when German goods and foreign goods are competing the German goods shall have the preference in despatch when application is made in behalf of each at the same

time. The details are so numerous I cannot repeat them all here, but it shows that the German Government is alive to the interests of German producers and manufacturers, and they are thoroughly protected in the contract, which fact goes to support the resolution we have now before us. I think the great difficulty in Canada has been that through rates are sometimes given from England to Chicago lower than they are from England to Toronto, and that course militates against Canada by Canadian subsidized lines. I think this matter should be looked into thoroughly and preventive clauses put in.

MR. THOM, Montreal—I thank the gentleman for the information, but I am not in a position to give him documentary proof that the German Government does not provide in that way. I have for many years represented the Hamburg American Packet Company, and I know for a fact that we have carried under the German flag, to British ports, goods as cheaply as we have done to German ports; I know for a fact that we have a service running now from Germany to the far East, and that when we cannot get a cargo to Germany we are only too glad to get one to a British port. The only advantage we have, speaking for the German Corporation, is the small amount received for our mail service. In the matter of freight rates, there is no dictation on the part of the Government as to what rate we shall charge, and where we shall carry it to. The only country I know of that gives a bonus in the question of freight matter would be the French Government. I am not aware that the Germans in any way restrict the German lines to rates of freight.

MR. EATON, Owen Sound—The only fault I find with Mr. Watts' resolution is that it does not go far enough. I am in favor of a commission being appointed from representatives of Great Britain and the Dominion of Canada to regulate freights, but I will not urge that now. I will support Mr. Watts' resolution. I think it is absolutely necessary that we should be protected in some way.

PRESIDENT AMES—I do not know whether the Conference will allow me to ask a question in regard to this. I am aware if I do so I shall perhaps transgress the exact proprieties of the chair, but I have been very much struck with the deliberate manner in which you have considered the questions that have come before you, and of how you seemed to have covered in each question all possible points regarding it. However, I am just a little disturbed on this question as to whether it has been considered in all its aspects. Does it not suggest that our rates shall always be practically those of the United States? Does it not acknowledge that the United States should always dominate our rates? It is possible that one feature of this combine may be that rates in the United States will shortly be very high. If our rates are low when theirs are very low, and are very low when theirs are very high, would not a steamship company subsidized by Canada be unjustly discriminated against as an operating company? Then, there is the question as to whether the resolution is practical in its application, and also whether it does not always render Canada subservient to what may be called the custom of the United States? I hope the Conference will pardon my suggestion. (Applause.)

MR. D. R. WILKIE, Toronto—In every other instance we have had an opportunity to discuss these matters we have had the proposals before us in print, we have been able to read them over carefully, and I do not understand the full meaning of that proposal, and I think it would be a wise thing to defer it until later on in the day, and perhaps we could have run off a number of copies so that each delegate could take in the full meaning of the resolution. We do not want to prevent the construction of railways nor the building of steamships, but I have sufficient confidence in those who will administer this steamship line to see we are not taken advantage of.

MR. GEO. E. DRUMMOND, Montreal—I would like to ask the mover if he would leave that over till the afternoon. I endorse every word Mr. Wilkie has said. I tell you the men who have put their money into steamships have not a very paying investment on Canadian trade. We do not want to go to work and stop the development of our transportation, and before hastily passing this resolution I think we ought to have time to look it over carefully and see what it is going to mean.

As you said, sir, it is going to place the United States in the position to govern the rates that shall prevail in Canada. That is not the position Canadians want to take.

MR. CONLON, Thorold—I have had some experience in this matter with my friend, Capt. Gaskin, and other men interested in lake marine. For perhaps twenty years we have been carrying grain from Port William eastward, and as you are all aware the great bulk of that trade has gone to Buffalo. We come to Mr. Watts, or some other grain dealer in Toronto, and we ask him for a cargo, and he will tell us it is a question of rate whether we can send it by way of Buffalo and Boston, or by way of Montreal; and I find in the great bulk of cases, the grain has gone to Buffalo and Boston. I claim this amendment of Mr. Watts' is the pith of the whole business; it is a question of rate. Now that our Government is to assist in subsidizing a steamship service I claim Mr. Watts is right, and I as a vessel man would go still further than Mr. Watts and insist on the minimum rate. It is the only way to build up our Canadian trade and keep our North-West grain in Canadian channels.

MR. THOMPSON, North Sydney, I did not hear the remarks of the gentleman from Montreal (Mr. Thom), but if he will read the contract between the German Government and the North German Lloyd Company he will find the regulations are very stringent, indeed. I do not mean those conditions are in the North Atlantic contract, because the German exports to British North America are very small, but the German exports to Asia are very large, and, in addition to what I said before, the Imperial Chancellor has the right to approve of the forms of bills of lading. This is part of article 25 of the contract: "The general stipulations of the bill of lading for the transportation of merchandise are subject to the approval of the Imperial Chancellor." Article 27 says: "Where German goods or those destined for Germany are competing with foreign goods or those destined for foreign countries, the former shall have the preference in despatch when application is made on behalf of each at the same time."

MR. GEO. E. DRUMMOND—Mr. Thom is absent from the room at the present time.

MR. McFEE, Montreal—I feel that this resolution should receive considerable consideration. I think the factor in rates in the export business is competition, and I think the competing factor against the railways is the waterways. The waterway is a check on high rail rates, and we know there is competition in the different routes, and at the present time the route that is making the minimum rate is by the St. Lawrence, and the St. Lawrence waterways has much to do in the present rate. It is difficult to legislate and control rates that the railways may put into force, especially for this export business; there are so many factors that have to be taken into consideration.

MR. EATON, Owen Sound—If Mr. Watts is agreeable I would like to add this clause to the resolution,

"And that precautions be taken to prevent the said fast steamship line passing under the control of any railway, and that a commission be appointed to manage and control the services and to be so composed as to ensure efficient and impartial service, not to be dominated by any railway or political party."

MR. WATTS, Toronto—If I might make a suggestion to Mr. Eaton, I think that might be made a separate resolution entirely.

MR. THOMPSON, North Sydney—That is a detail that might be left with the contract with the steamship company. It is a pity to absorb the time of the Conference on these small details.

MR. JAS. D. ALIAN, Toronto—I had not intended addressing the house upon this question at all, but I feel, in connection with this, that the suggestion that this has probably not been considered in all its bearings is well worth taking into our consideration, and I think, as was suggested, if this matter were deferred so that we can see exactly what it means, we will not be chargeable with having come to any hasty conclusion. Let me say, I think the deliberations of this Conference up

to the present time have been very creditable to the delegates engaged in them, and I for one should feel very sorry if, by a little hastiness in our action, we should do anything that would leave us chargeable with not having fully considered the question before us. I would suggest that this matter be left over for further consideration to a later date.

MR. WATTS, Toronto—What does Mr. Allan mean by a “later date?”

MR. ALLAN—I mean some time this afternoon, and in the meantime copies could be struck off and distributed among the delegates.

MR. WATTS, Toronto—This matter has been thoroughly up before the Conference in the way of a notice of motion, as the other resolutions that were considered that were not printed in our programme. We have discussed this matter to some extent now, and we have the whole point fresh before our minds. If it is postponed till this afternoon other matters will intervene, and we will have lost track of the point, and will have to go over the matter again.

MR. D. R. WILKIE, Toronto—I do not think the matter could have been a very important one, or else it would have been thought of in preparing this programme. If it is a matter of such importance we could very willingly give a half hour to its consideration this afternoon, but I do not feel as if we ought to press the matter now, without giving the delegates a full opportunity to fairly understand what the resolution means.

MR. GEORGE ROBERTSON, St. John—The time is passing rapidly and there are a great many very important matters to be brought before this Conference. I trust the gentlemen will bring this matter to a vote at once. The Conference can deal with it. It is in the hands, at the present time, of the Dominion Government, and they have all the power they require if they wish to carry it out.

MR. WATTS—I do not want to stand in the way of this being discussed, and if it is the wish of the members that the matter be delayed until this afternoon, I would be willing to consent to that, but I do not think it is really necessary to delay it.

MR. PERRAULT, Gaspé—I think we have discussed this enough. There is an uneasiness in the meeting here, and it is evident we are not unanimous, and in a Conference of this sort where a motion is not unanimous and the division will be a close one, it is much better to withdraw the question, because you are very likely to be on the wrong side when you have voted, and the best way is to postpone it for the next Conference, which I think will take place in Montreal next year.

MR. GEO. E. DRUMMOND, Montreal—I think it is only fair to say that while this may be a good resolution there are some who will have to vote against it because it has not been placed before this meeting in sufficient time to consider it.

The resolution was then put to the Conference, and was declared lost, yeas 42, nays 52.

PRESIDENT AMES—It has been suggested that at this stage we decide whether the Conference will sit for the third day. We have a lot to do and it is impossible to get through all that is before us to-day.

MR. RANSFORD, Clinton—I beg to move that the Conference meet to-morrow, for the third day if necessary.

The motion was seconded by Mr. Burk, Port Arthur, and carried.

STEAMSHIP SERVICE FROM CANADIAN PORTS

MR. J. D. ALLAN—This steamship service from Canadian ports is probably the outgrowth of our connection with South Africa. We have had during the past two years an unusual interest in that part of the British Empire through circumstances over which we have had no control, but I am glad to say that the interest we have had there is one that has heightened the pride of each Canadian in the valor of his countrymen who have gone there and fought, and bled, and died, for the preservation of the Empire. (Hear, hear.) And now that these things are

passed and peace has been restored, it is natural that a commercial conference should take some means towards getting what commercial benefits there can be out of such a connection. It has been felt that we have practically no means of reaching South Africa, and therefore it is quite impossible for us to hope, under present circumstances, for any successful development of trade. It is true that during the transport services instituted by the British Government we had special transports that enabled us to send Canadian cargoes there, but that will now necessarily cease. In this resolution we do not bind the Government of this country to anything definite, but it is only experimental. We ask them to subsidize a steamer from Montreal in the summer, and the Maritime Provinces ports in the winter, at so much per outward voyage, calling at Cape Town, and proceeding to ports in Australia. We take the position, in asking for the subsidy at so much per outward voyage, that if it is found there is not trade enough to encourage the traffic, then the Dominion Government is only bound to the extent of the voyage upon which that special steamer may be engaged. The question of the benefit of steamship service has been so fully discussed in this Conference that I need not take up time in further dwelling upon it, but regarding Germany I have been struck with the manner in which she has developed her trade with distant parts of the world. Only a few nights ago I was looking up the returns of German trade in Siam, and in one single year, because of superior transportation facilities, she increased her trade 30 per cent. The same way from Hamburg and Australia in 1900 there were 29 vessels, in 1901 51 vessels (sailing ships); in 1900, 25 vessels, in 1901, 45 steamers. Africa has been to us a *terra incognita*, but now we have an opportunity of transporting Canadian supplies farther into the interior than has ever been possible heretofore. It is true the South African people do not need our grain, but they do need our flour and agricultural implements and some of our textile fabrics. This trade can be secured if we have an opportunity of doing so along these lines. Thus far all our trade to South Africa has been through American ports. You can see it will be impossible for us to ever develop a trade if we have to do so hampered in this manner. I need not dwell further upon South Africa with the necessity for rebuilding the bridges and reconstructing the railways. A further part of this resolution deals with Australia. The idea I had when I originated this resolution was, that as this was experimental we will make this part of it in South Africa, which seems reasonably sure, and then we will go on to the western coast of Australia. The geography of Australia is not so well known in Canada perhaps as it should be, but the idea that I had in my mind was that after proceeding from Cape Town the steamer would stop at Freemantle in West Australia, which is part of that great country of the East where irrigation must be resorted to, and where a large trade in steam pipes has been done by the United States. Then, sir, from Freemantle to the next port of call, which is Adelaide, is some 1,600 miles, and all that country through there uses manufactured goods to a very considerable extent, which we could supply. Then the steamer might go on to Melbourne and Sydney, but I have not been so definite as to ask that there be any ports named, but leave that with the Government. There is a further part of this which refers to a fast service from Vancouver, in order to furnish a tri-weekly service, instead of monthly as at present. The service at present is an irregular one from Vancouver, covering about four weeks. There is another one from San Francisco calling at the Sandwich Islands, and that is about the same time. I beg to move the resolution:

In view of the settlement of the South African trouble and the consequent opening up of the country, as well as the impossibility of shipping heavy goods across this continent to Vancouver at a rate of freight too excessive to enable us to secure for Canada the Australian market for many lines of heavy goods;

Resolved: that this Conference of Boards of Trade of the Dominion of Canada request the Government to consider the establishment of a cargo steam service from Canadian ports to be subsidized at so much per outward voyage, calling at South African ports and proceeding to ports in Australasia considered most desirable by the Government of Canada, thus enabling the development of business in heavier articles than is possible under present conditions. The subsidy to be sufficiently large to enable rates to be made as low as prevailing rates by competitive routes;

Further resolved: That the Government be requested to provide a faster service from Vancouver, in order to provide a tri-weekly service to Australia instead of monthly as at present.

MR. JOHN COATES, Ottawa—I have very great pleasure in seconding the resolution so ably moved by my friend Mr. Allan. The necessity of such a resolution was brought to my mind forcibly this week by a Canada Atlantic agent, who informed me they had fifteen cars to be sent to South Africa, and they had to send them through American ports. He was unable to do it in any other way. The resolution also refers to the settlement of the South African war, and the fact that two new colonies have been added as late as Saturday night to the King's dominion. I need not say that the trade, as we all know, follows the flag, and we must be up and doing to get some of that trade. I am aware that Australia and New Zealand are already taking active steps to increase their trade with South Africa, and only recently the United States have taken steps in that line. It seems to me Canada must not be behind our American cousins, who are always to the front. We ought to do all that we possibly can to get this new steamship service into order. I think we can go a step further and urge upon the Government to send a trade commissioner to South Africa similar to the man who is doing very good service in Australia. I spent some eight or ten years in Australia and have large business connections there at the present time. I know Mr. Larke is doing good work throughout the whole of that commonwealth, and if we had a man of Mr. Larke's ability—and there are plenty of men in this Conference to-day who fill that bill—to send out to South Africa and increase our trade there, it would be an enormous advantage to Canada. I hope this resolution will be unanimously adopted.

MR. E. G. HENDERSON, Windsor—I am heartily in accord with the resolution moved by Mr. Allan, but may I ask him and the seconder to go a little further and to mention some port in New Zealand, possibly many of you are aware that considerable business is done at the present time between this country and New Zealand, but the ocean rates from New York are so exceedingly high as to compete with Germany and England. At the present time I am aware of large orders that are being held simply owing to the extraordinary high ocean rates from New York, and I think, if it is at all possible to include a port in New Zealand, a very considerable business can be worked up. I know at the present time several firms who are shipping to New Zealand, but as I say, orders are now being held on account of the high rates from New York. In point of fact, at the present time it is almost impossible to get a combination of rates from here to Liverpool to New Zealand lower than the rates via New York, and if you can do anything to decrease the freight rates to New Zealand, I am sure a very large business in time can be worked up.

MR. J. D. ALLAN, Toronto—In reply to Mr. Henderson's suggestion it has not been thought desirable to name too closely what ports might be touched, and it was thought that the words, "considered most desirable by the Government of Canada" would cover even New Zealand, although I have my own idea that if you go into New Zealand the subsidy would be so largely increased that it might prove dangerous to the proposition. New Zealand is 1,200 miles from Sydney, and if you can get your cheap rates to Sydney, there may be some other means to reach New Zealand from there; but let me say this resolution does not preclude New Zealand if the Government find it necessary.

MR. HATHEWAY, St. John—Will you permit me to say that during the last several months, I have had letters from people in South Africa, one particularly, and the burden was, "If you Canadians wish to do business with us, you must put on a first class steamship service. The Americans are putting it on, but we would rather do business with you."

MR. McFARLANE, Ottawa—I think gentlemen, it would be within the recollection of all present who attended the Conference of the Chambers of Commerce of the Empire in 1890, that this subject was brought up there by the representative from South Africa, who caused documents to be published and circulated amongst the members, drawing attention to the fact that the merchants of Cape Town were scarcely able to do business in competition with merchants residing in Germany and the United States because of the low rates prevailing from those countries to Cape Town, and further stating these lower rates were prevalent on account of the subsidies given by the Governments to the steamers plying there. It seems to be a very

hard thing indeed that the Mother Country should have been obliged to pay out for the pacification of the country as much as £200,000,000 and when peaceful pursuits are to be resumed that the Mother Country and its Colonies, the Empire as a whole, should not be able to compete with other countries.

MR. THOM, Montreal—Before the question is put, I would like to say that as a steamship man I am strongly in favor of the resolution ; I have had several enquiries for trade from South Africa, but have not been able to accommodate them.

The resolution was carried unanimously.

Adjourned at 1 p.m. to 2.30 p.m.

THURSDAY AFTERNOON

The Conference resumed at 2.30 p.m.

MR. J. S. CAMPBELL, Halifax—Moved, that hereafter the movers of resolutions be allowed fifteen minutes to present the resolution, and each additional speaker five minutes.

The motion was seconded by Mr. G. Y. Chown, Kingston, and carried.

DUTY ON LEAD

MR. A. S. GOODEVE, Nelson, B.C.—After a consultation with Mr. Munro of the Montreal Board of Trade, who is a large consumer of the products of lead, and with the consent of the Conference, I would like to submit this resolution in lieu of the one printed. It is the same in all essential points.

Resolved : That this Conference of the Boards of Trade of the Dominion of Canada favors securing such readjustment of the tariff in respect to imported lead products as will encourage the development of mining, smelting, and refining of lead and the establishment of various manufactories of lead products within the Dominion.

From conversations I have had with various members of this Congress, there seems to be an impression in their minds that this question is only of local importance, and not of general importance to the Dominion of Canada and our greater Empire. I do not hesitate to say that it is a great mistake, and in order that this Convention may vote intelligently on this question—because I trust the vote will be a unanimous one—I desire to place before you a few facts. In the first place I would remind you that in the Province of British Columbia you have one of the largest Provinces territorially in the Dominion of Canada, extending as it does 700 miles by 400 miles, and extending northward to the 60th degree of latitude. Running all through this vast territory we have the Rocky Mountains, and in those Rocky Mountains are situated the richest deposit of minerals to be found anywhere on the American Continent. You will be surprised to hear that, while we are only in our infancy, the industry of lode mining is the largest in the entire Province, notwithstanding the vast wealth of our fisheries and our timber. You will be surprised to learn, sir, that the returns during the last year were more than equal to the returns of all the other industries within that Province, and reached the large sum of twenty millions of dollars. While the gold mining in that Province during the last year has increased 36 per cent., and the products of the copper mines have increased 207 per cent., I regret to say that the product of the lead mine has decreased 20 per cent., and it is because of that decrease I am here to ask the assistance of the Board to conserve the interests of this vast wealth to the Dominion of Canada. While I realize that this decrease is to some extent due to the reduction in price of minerals in the world's market, I also believe that it is largely due to the tariff arrangements of our Dominion, and before going further let me make it perfectly clear here, it is not a political question, that when this tariff

was arranged in regard to the lead question it was at a time when lead products were looked upon as raw material. Since that time all these things have altered, and I am bound to say, upon behalf of the Government, that when we applied to them and explained the situation they passed legislation granting us a bounty on the refining of lead to the extent of \$5 per ton, and gradually dropping to \$1 per ton in the next five years, in no one year to exceed the sum of \$100,000; but owing to the facts I have just stated, unfortunately for the Province and the Dominion of Canada, we are not in a position to take the full advantage of that bounty, because the product of the mines at the present time is not sufficient to enable a refinery to treat a sufficient quantity of ore to receive the full amount of the bounty, not, sir, because we have not the product and our mines are not capable of producing the quantity, on the contrary, let me tell you that the output of the lead silver mine of the County of Kootenay—which, let me tell you, is equal to the entire Province of Nova Scotia in extent—was 31,000 tons, and the value of that product, as computed in the world's market, the price at that time being £17 sterling, amounted to no less than three millions of dollars. The lead products of the mine of Kootenay alone have reached the vast sum of twenty-five million dollars. But I want to say, sir, that at that time the Americans were the great purchasers of the lead ores of the Slocan-Kootenay district. Whether it was because of the rapid development of our mineral industry there, or whether it was the smelting and mining trust of the United States felt that they could not hold their position and maintain the price they had hitherto maintained in regard to their lead products, I am unable to say, but at any rate, since that date they have decided to do what we may call "the freeze-out game." They have absolutely refused, not only to come into our markets and purchase our ore, but have refused to take or treat our ore in the American market, with the result that many of our largest producing mines in that district are shut down. We have in Kootenay one of the largest producing mines. When I say this, understand it actually produced it, I am not talking theory, and every statement I shall make will be based on the actual figures. I say we have in the Kootenay district one mine that has proved its capability, and has actually produced more lead per annum than any mine on the American continent, with one exception, notwithstanding that it is only some four or five years since we entered into this industry at all, and yet, sirs, that mine is closed down to-day. How does this work out? I will try to explain it briefly and lucidly. The Canadian tariff on lead in ore is free. The United States tariff on lead in ore is $1\frac{1}{2}$ cents per pound, amounting to no less than \$30 per ton; pig lead and scrap lead, Canadian duty 15 per cent., less $\frac{1}{3}$ differential, which makes it only 10 per cent.—and bear in mind our competitors in this particular industry are Great Britain and Australia as well as the United States. Taking the preferential duty our duty is only 10 per cent., which amounts to \$5 per ton, while the United States duty against Canadian lead is $2\frac{1}{2}$ cents per pound, or \$42.50 per ton, eight times the duty we have against them. Pipe and shot lead is 35 per cent., less $\frac{1}{3}$, which is \$16.33 per ton, while the American duty against lead is no less than \$50 per ton.

The duty on white lead and red lead is 5 per cent. in Canada, which figures out \$2.55 per ton; while the duty upon white or red lead in the United States is \$57.50 per ton, in other words, we are absolutely prohibited from entering the markets of the United States. What is the result of that? We find we are compelled to go on the open markets of the world and market the lead products of our mines against Great Britain, Australia, and all the other lead producers of the world. The great consumption of lead is in China and Japan and the other oriental countries. The present market price of lead in London is £11 7s. 6d. which figures out \$13.14 per ton, or \$2.46 per hundred pounds. That means we are only enabled to pay our miners in the Slocan country \$1.46 per hundred pounds for ore lead, but at the same time the American mines are enabled to pay the Cordelaine miner \$3.50 per hundred pounds for his lead at the smelter. By reason of the tariff the American miners have the American market to themselves, and they are thus enabled to so arrange the price of this article that they can pay the amount I have mentioned to their American miners, and they are thus

able to ship the surplus lead product to the markets of the world, paying a lesser price for it. Sir, we have not had up to the present time refineries, but I hope before this Convention adjourns I will be able to produce a telegram showing that, for the first time in the history of the Dominion of Canada, we have a refinery established there (applause), and that we will be in a position not only to mine our lead ores, not only to smelt our own lead ores, but to refine them. What we want in addition to refining those ores is that we can complete the manufacture; in other words, instead of doing as we have been, we will manufacture our raw material instead of sending it to the South of us to be manufactured by our neighbors. All we ask is that the working men of the Dominion of Canada shall reap the full benefit of the deposit Nature has placed within our power. (Applause). The consumption of lead in the Dominion of Canada at the present time is only about 13,000 tons per annum. Three or four thousand tons of that is used in the manufacture of shot, lead pipe and sheet lead, and various things of that kind. The balance of the product of the consumption of lead in Canada is, after being passed through the corroded process, made into material such as paint. I want to point out that the tariff under peculiar conditions existing at present, not only does not protect Canadian industries, but it offers an actual bonus to Americans at the south of us to manufacture the lead for us. We find that with the duty on paint lead is 15 per cent., that if it is subjected to the process of corrosion and is turned into dry lead or white lead, it is then admitted into the Dominion of Canada for 5 per cent.; on the raw material they charge 15 per cent., and when manufactured only 5 per cent. duty, which is placing a premium on the manufacture of that lead outside the country. (Hear, hear). All we ask is that the Dominion Government shall be urged to so adjust that tariff that we shall be enabled to do the manufacturing of that lead within our own Dominion. I am just touching on the fringe of this great question. I am aware that one of the reasons why the Government hesitate to deal with this matter is that it may possibly raise the price to the consumer in Canada. I believe it will not necessarily raise the price, and I will give you my reasons. In the first place, we find the price of lead in oil in Montreal and the price of lead in oil in New York are practically the same, about \$5.50 per hundred pounds. Of course the markets fluctuate, and for that reason at the present time we are supplying paint lead to the purchasers at Montreal at \$2.85 per hundred pounds, which is below the British price of lead plus the freight and duty, and if we had this home market to ourselves of seven or eight thousand tons per annum we would still be in a position, with an increase of duty, to sell at that price—suppose the duty was increased from 15 to 25 per cent., 10 per cent. on \$2.85 per hundred would bring the amount to \$3.10. The price upon lead in the New York market to-day is about \$4.10. I say if we can sell paint lead at \$3.10 with the increased duty we would probably be in a position to supply consumers at the same price they are paying at the present time, because the cost of the raw material always regulates the price of the manufactured article; for that reason I say it will not necessarily raise the price. But, sir, in order that there may be no loophole left in regard to this, if it did increase the price with the consumer a small amount I venture to say that that will be far more than offset by the advantage to the Dominion as a whole. Let me tell you we are not local in this question, or in the development of that Province. By way of illustration, let me say that in the year 1900 alone we placed in the City of Rossland no less than \$600,000 of machinery, and the greater part of that machinery was Canadian made, largely from the Provinces of Quebec and Ontario. Every part of this Dominion reaps a share from the development of that Province. I see my time is up, but I will just say this, that even if you paid more bear in mind that we are a broad people in Canada and I think we are particularly broad in British Columbia; we pay per capita in the Province of British Columbia three times more than all the rest of Canada together for Dominion Revenue; we pay that because of the increased cost of our goods in bringing them from Eastern Canada; for instance, on canned goods, on which the miner is largely fed, the duty is 2½c. per pound, amounting to 100 per cent. on the California product, but we are glad and willing to pay that if it helps the whole Dominion. All we ask is a fair and equitable return. I shall not weary you with

further details, you can see how very important and vast this question is; you can see that every one of you are interested in it, and I trust the vote will be absolutely unanimous.

MR. HATHEWAY, St. John—For information will the gentleman kindly state if the factory intend to make both sheet lead and pig lead.

MR. GOODEVE, Nelson, B.C.—When the smelter gets an order he first gets out the bullion; the next process is the refining, which produces various things leaving pig or bar lead.

MR. HATHEWAY, St. John—Do you intend to make sheet lead?

MR. MUNRO, Montreal—Everything of that kind we intend to have introduced into Canada. I do not think this Conference will divide on the question before us. There is a very striking anomaly existing in connection with the lead production of Canada, that is, that all the lead consumed in Canada is imported into Canada, and the lead produced in Canada is shipped out. We pay duty at one end on the lead coming in, and the lead that goes out is subject to a duty at the other side. That itself makes a strong *prima facie* case for this motion. My friend has made out a perfectly clear case that the tariff wants adjusting. The tariff was framed under entirely different conditions. Instead of asking for any specific duty, in order to save the time of this Conference, we have framed this general resolution.

MR. HATHEWAY—I would like to say that tea lead is coming into different parts of New Brunswick free, and is used in very large quantities. I do not know very much about this question, but this resolution we have printed before us provides that the duty shall be increased, and I understand the resolution moved by Mr. Goodeve asks that the duty be readjusted. I would like to know more about the matter. I know there are a great many people in the Maritime Provinces who use pig lead for their shipping business, and this is a question that will, to a large extent, interest many more cities than at present we may think of. If the duty on sheet lead or tea lead, which is now free, is to be increased, we would like to know whether that is going to benefit a large number of people in Canada. I would like to hear from some of the gentlemen in Toronto, who are putting up large quantities of lead in packages, and also from any gentleman in Halifax who is interested in the shipping business.

MR. MUNRO, Montreal—May I reply to Mr. Hatheway when I say that the probability is, in regard to sheet lead, that the duty will be reduced. We cannot say definitely what the Government may see fit to do. The duty on pipe and shot is high and the presumption is that the Government will ask that that duty be lowered, and they will equalize by raising the duty on others. Tea lead is rather outside of this. I cannot say what the Government will do.

MR. HATHEWAY, St. John—There are hundreds of tons of tea lead imported from England.

MR. MUNRO, Montreal—It is quite out of the question what the Government may do, but what I want to make plain is that the whole lead tariff needs readjustment.

MR. McFARLANE, Ottawa—I have a very vivid recollection of the condition of the lead industry in British Columbia when I visited the Kootenay region in 1899. What Mr. Goodeve has said only makes the case stronger. At that time, having had something to do with the handling of lead in former years, I made some enquiry as regards the ores that were produced in such districts as Slocan and others. I visited some of the mines in Slocan and found them producing not so much ore ready for shipment from the mine direct, but ore that had been treated in their establishments. It had been taken from these mines situated away up in the mountains, brought down to the lake, sculled over the lake and delivered to the railway stations at or near the Border, and taken thence to the United States. I made a calculation at that time—I have not got the figures with me—in order to ascertain now much relatively the smelters of the United States obtained and the Canadian miners obtained and the total value that resulted from the treatment of those ores, and my information then obtained was to the effect that the smelters

in the United States had by far the lion's share of the profit, that for the investor in British Columbia and the miners there, very little remained, and in a great many of the mines there was no profit. The impression that I gained at that time was that there was no industry in the Dominion of Canada that required encouragement more than that of the lead smelting in British Columbia. (Hear, hear.) I am very glad indeed to support the resolution proposed by Mr. Goodeve.

The resolution was carried unanimously.

DEFENCE.

Mr. McFEE, Montreal—I approach the subject of defence with considerable hesitancy. It is a subject that probably we are not all agreed on, but if I am to judge from the discussions we have had yesterday and to-day I would draw one conclusion, *i.e.*, that we are pretty well united on the main question, namely, the development and consolidation of the Empire to which we belong. (Hear, hear). The subjects which we have discussed emphasized the idea in my mind of centralization. We discussed preferential trade, state cables, postage, our tariff as affecting imports into foreign countries, subsidies—these are all bearing on the one thought of centralization, and in that thought is included the word consolidation. To bring into effect these resolutions which we have passed, would mean the greater consolidation of this Empire. It was stated here that probably the British Empire was not the unit that we would like it to be, but I can say this, that we are all united in the thought that in Great Britain we have the embodiment of freedom and justice, (applause). I believe it is because of the freedom that we enjoy as British subjects and the justice that we receive as British subjects that we are the loyal subjects that we are to-day. The Empire to which we belong is in keeping with the age in which we live—it is a large Empire. I think Mr. Chamberlain, in his speech within a few days, made the statement that this was not an age of small States, but it is an age of the union of the smaller States in a large State, and it is in that attitude that we approach this question as Canadians. We are an important part of the British Empire. If the British Empire contains $13\frac{1}{2}$ millions of square miles, we as Canadians are proud to say that $3\frac{1}{2}$ millions of square miles are within the bounds of Canada, and in comparison with us the United States, one of the greatest countries in the world, as far as extent is concerned, as well as in other respects, has only $3\frac{1}{2}$ million square miles, the same as we have in Canada. The population of the Empire, too, is probably the largest known in history, namely four hundred millions. To rule an Empire such as this requires the wisest Government possible, and we have it in the rule of the British Empire. The policy of Great Britain in regard to all her possessions is self-government, and in this self-government each of the possessions, I am glad to say, relies on its own defence as far as local requirements are concerned. This is illustrated in the recent war in South Africa. England directed her whole strength to the war in South Africa without worrying herself about her other possessions. We heard nothing of India or the West Indies or Canada or Australia during this war. Each of these possessions provided for its own defence. In India we have native troops with British officers, in Egypt we have the Egyptian soldier with the British officer, and I may add here that in the Soudan, I suppose, no soldier contributed more to the success of the expedition there than the Egyptian soldier. If we go down to the West Indies we find there the natives seeing to the defence of the West Indies. Australia and Canada also possess the means of self-defence. It is not a new principle of defence that I am discussing, as far as that side of the question is concerned, all the Colonies are doing something towards the defence of the Empire. This resolution carries us a little beyond this; it implies more than local defence, it implies more than the military organizations, it implies more than police patrol of the local waters, it implies a contribution to the cost of the general defence of the Empire. I understand from that that we are asking you to support the cost of the general defence of the Empire, and I would understand from that that we wish this contribution to carry out the thought I referred to—centralization. I believe we can contribute to the general defence of the Empire by centralizing the control of the

defence of this Empire. I believe it is in the interests of this country that we should contribute to the general defence of this great Empire. Are we a wealthy possession? I think we are all agreed about that, that we are; from speeches that have been made to-day and yesterday the only inference that can be drawn is that we consider we are probably a most important part of the British Empire. In our resources of forest, fisheries, minerals and agricultural lands we are wealthy. It may be said that this country is in no danger of any trouble with any other country. The same argument might be used that the United Kingdom is in no danger of trouble with France, Germany or Russia. I consider that we have no more reason to say we have a guarantee of peace in Canada than Great Britain has a guarantee from trouble with other countries. I think, then, it is our duty to deal with this question in order that this country may be as secure as possible from any attack or any possible dispute with any neighbor we may have. I can see that the greater wealth we have the greater possibility there might be of dispute with anyone who is envying us the wealth we enjoy in this country. We are not contributing one dollar directly to the defence of our country by the British navy, and Great Britain and Ireland would have the right to say to us in Canada: "What are you contributing towards the defence of the Empire?" I think we would be ashamed to say that we are not contributing one dollar for that purpose. The British navy costs the British Exchequer fourteen shillings per capita per annum; we enjoy every guarantee that that navy can give to its subjects, our trade is protected by the British navy, and as we look forward to an immense extension of our foreign trade in the near future, the greater will be the requirements of the navy to protect this immense extension of trade. It seems to me that we are a sufficiently wealthy country to do our share towards the defence of this great Empire. A liberal contribution of \$1 per capita would not worry the citizens of this Dominion of ours, and I believe if we contributed five or six million dollars per annum we would be contributing thereby only one-fifth of what every British citizen is contributing, or one-fifth of what every American citizen is contributing towards the defence of his country. I am sure we in Canada are prepared to do our share as citizens in contributing to the defence of our common Country. I therefore beg to move:

Resolved: That in the opinion of this Conference it is the duty of this Dominion, as an important division of the Empire, to share in the cost of the general defence of said Empire, and therefore that an annual appropriation should be provided in the Dominion Budget for this purpose, to be expended as the Dominion Government may direct. (Applause).

(Subsequently Mr. McFee substituted the the word "participate" for the word "share" and eliminated the word "general" before the word "defence.")

Mr. MUNRO, Montreal—I have been asked to second the resolution now before the Conference. There are some fourteen resolutions on the subject before the Conference, but I second the Montreal resolution as calculated to provoke the lead discussion, it avoids details and sets before us a general principle, and a suggestion as to how that principle may be applied.

We said a great deal yesterday of the greatness of our country. We have done so without a word of exaggeration. We have everyone of us been so little accustomed to contemplate its excellence that we have not arrived at the point when exaggeration has become habitual. In this regard we have not followed the very decided lead of our neighbors to the south, who have a less extensive and less valuable heritage, but who, nevertheless, try to believe that they own creation. We have, on the contrary, had far too modest ideas of our heritage, and even with the light of these discussions falling on it, our imaginings have not reached the reasonable possibilities of Canada. And why such possibilities? Is it because the world has awakened to a more accurate knowledge of our climate? Is it because of a more worthy realization of our immense area? Is it because of the priceless value of our Yukon gold—our Kootenay metals, more precious even than gold mines—our limitless forests which for centuries to come will furnish the world lumber—our wheat belts that yield the finest wheat grown on the

globe—or the tremendous water powers that stamp us as an essentially industrial country? Is it these alone? Not so. It is the great and glorious fact that all these we possess under the protecting wing and fostering care of the greatest Empire that had been—an Empire whose beneficent rule will be the glory of this world while time endures. If we begin to estimate the resources of Canada we must first place on the list, and over-shadowing all, the fact of our British Protectorate. In all our history as a British Colony our coasts have been patrolled by the British fleet. We find written on all our boundaries, "We hold thee safe," and we rejoice, we rest in the comfort which this knowledge brings. But is it fitting that the Dominion of Canada should continue to accept the needed protection of Great Britain and yet refuse to contribute to the defence or the cost of maintaining it? Is it self-respecting? is it business-like? is it consistent with the commercial policy set before us yesterday? is it creditable, in view of the fact that Australia contributes yearly to the support of the British Navy, and has done so for nearly twenty years? It has been truly said that without any written obligation Canada has recently contributed to the defence of the Empire in men and money, and we are all proud that she has done so; but I contend that this is not to be regarded as simply an act of grace. This was the outcome of a strong feeling in the country that it was a right and a reasonable thing to do. The repeated offers of help by Canada were the outcome of strong patriotic sentiment that realized something of what Great Britain has done for us. This feeling found vent so unmistakably that it evidences to us the sense of fairness which possesses our people to do our duty toward the Mother Country.

In some of the resolutions you are asked to say that in devoting her resources to the development of her national wealth and population, Canada is doing all that the present situation demands for the prestige of the Empire. I do not believe the gentlemen tendering these resolutions will themselves assert them as their reply on this question. I do not believe that if for example a proposal were made to vote money for the improvement of our Canadian defences any gentleman present would oppose it. The teaching of these resolutions is certainly not Imperial, for if every portion of the Empire acted in this way where would be the prestige? Do you look forward to the great development of our commerce indicated yesterday? Do you look forward to seeing Great Britain's food supply shipped out from our shores, and do you expect that while Great Britain pays \$6 per capita and United States \$5 per capita, Canada's contribution shall continue to be forty to fifty cents. I don't believe the commercial voice of Canada will say anything of the kind. As the resolution from Barrie so well expresses it, the burden is assumed for the safety of the whole. We enjoy that security, we feel strong in its enjoyment, strong in regard to the complications that exist to-day. Complications will ever arise and fall to be dealt with; boundary complications, fishery complications, complications of lake defence and navigation. We are strong I say in the face of all these from the knowledge that the power which belongs to us is many times greater than any power that can come against us. Reference is made in some of the resolutions to the defence of our coasts as if that embraced the whole question. The other view more practical to us is the defence of our commerce and of our shipping. The external commerce of the Dominion, I mean her combined exports and imports for the year 1901, exceeds 400 millions of dollars and is rapidly expanding. We feel no concern as to its security, for it is protected every day and has ever been on the seas of the world. Britain's protection forms an insurance which costs money not only in times of emergency but every day, and no merchant refuses to pay for insurance on his merchandise. We do not hesitate in our efforts to extend our relations with Australia, New Zealand, South Africa, West Indies and British possessions everywhere, because our commerce is protected by the power of Great Britain. That power we now seek should belong to Greater Britain, that power, still a united power, should be maintained by every continent and every island over which our flag waves. (Applause).

MR. DUMBLE, Peterboro—It has been agreed between the gentlemen representing Stratford and the gentlemen representing the Boards of Trade in Lower

Canada that the Peterboro resolution shall express their views on this question, and therefore I will take the liberty of moving as an amendment the Peterboro Resolution. I suppose we could speak till to-morrow morning in general eulogy of the conditions of Canada and her relationship to the Empire, and all we might say might be true, but the issue that is before us this afternoon is a direct issue between voluntary action and statutory compulsion. When two or three years ago trouble arose in Africa and a saucy message went from Germany to Africa, there was danger of complications. Then Britain's children got up beside the old Mother and baring their arms declared to the world that they who laid a hand on Britain would contend not only with her, but with her children. I am proud of the position taken by the children of Britain, I am proud of the Canadians, I am proud of the Canadian settlement and I am proud of the Canadian prowess manifested in South Africa. Could any other result be expected? Sixty years of beneficent ruling from Downing Street, sixty years of the rule of our great Queen, cemented to the common heart of the Empire the hearts of all those outlying sections and made us one people in blood, in history, in religion, and in a common effort to upraise humanity. We are one people in this Dominion of ours from Atlantic to Pacific, and there is one common feeling in every heart, though we may perhaps show it in different manifestations. Sir, I say that what we did in the hour of England's trial was a natural action, an action resulting from natural sympathy, an action than which any other would be unnatural, and what we did then we can do again, and what we did then, if necessity comes, we will do again, and will do it according to the exigency of the hour and according to our might; but, sir, if you introduce anything but the strongest of all bonds, the bond of common sympathy, common love, and a common heart, your very effort will break asunder the bonds which at present bind us together. I remember one of old who, when he laid his head in the lap of Delilah was her slave, but when they bound him with ropes he broke them asunder. So it will be in this matter if we introduce anything like coercion. The only bond which it is safe to rely on is the natural bond of affection which will alone be sufficient in the hour of trial. (Applause). I completely object to substituting for my stronger bond a bond created by statute; it means a revolution, a complete change in our relationship, it means something that we may perhaps attain to in the process of time by natural development, but it means that which we are not prepared for at the present time. I say in the language of one respected in England, we will make the greater progress by going slow, we must not attempt to force things. Raising money in Canada for the war chest of Britain means taxation without representation, and I heard of a little trouble made once in Boston Harbor about something of that kind. (Hear, hear).

MR. H. J. WICKHAM, Bobcaygeon—I rise to a point of order. I think the speaker is entirely beside the mark. The Montreal Board of Trade says that the fund here is to be under the control of the Dominion Government. (Hear, hear). There is no ground for the present speaker taking the attitude that we are to be bound by statute.

MR. DUMBLE, Peterboro—The trouble is the Dominion Government does not control the war chest of Great Britain. Since 1800 Canada has stood up for that part of the Empire called Canada and she will do it still, and would be always ready to do so, but I do object to a vote of Canadian money for the common war chest of Great Britain to be used under the military authorities of Britain irrespective of Canada.

MR. D. R. WILKIE, Toronto—I rise to a point of order. The gentleman is not speaking to the point at all. Nobody proposed that. I was called to order yesterday for introducing the question of defence in the matter of trade.

MR. DUMBLE, Peterboro—The resolution is for a contribution for Imperial purposes and Imperial defence irrespective of Canada.

PRESIDENT AMES—On the question of order, gentlemen, I do not wish to interpret it and analyze it too closely. I believe we will reach our results in the best way by giving a very wide license to the speakers.

MR. DUMBLE, Peterboro—With regard to our own country, we maintain a militia in good form. I have no objection to perfecting that militia organization, I have no objection to fortifying the ports of Halifax or Vancouver, if necessary, I have no objection to making our own army strong as part of the military system of Canada, but I do object to any contribution of Canadian money for outside general purposes of the Empire that are not connected immediately and directly with our own Colony. I think we want to be very careful, we want to be dispassionate in considering this matter, we do not want to allow sentiment to carry us away; but we want to remember that this resolution introduces a complete departure from all tradition and from all political history of this country, and it involves much more than the resolution, it involves the reconstitution of the relationship between Canada and the Mother Country, and I think the suggestion of Lord Salisbury to go slow, to wait for natural development and natural evolution to bring about results, is the only proper action. There is not the slightest danger that Canada will be lacking in the performance of her full duty. Just so long as the relationship between Canada and Britain is happy as it has been in the last sixty years especially, as I am sure it will be under the enlightenment of the present age, just so long there will be no necessity for such a resolution as is submitted here. Leave it to natural action at the proper time to meet the emergency, and you will do better for our people and for our country than if you bind us with bonds of iron. (Applause.) I beg to move the amendment:

Resolved: That Canada having expended in the construction of transcontinental railways vast sums of money, these railways being available for military purposes of the Empire, and having in the past done her part in self-defence, and having in the South African war manifested her loyalty by the contribution of men and money, it may be assumed that she can be relied upon by the Mother Country, not only to maintain an effective military force at home for self-defence, but that she will make common cause with the Mother Country in time of need; and it is not now necessary, in view of her undeveloped condition, to pledge herself to expenditures for military and naval expenses which might cripple her in her course of development. At the same time this Conference asserts that it is the duty of the Dominion to maintain her military force, and to perfect and extend it, and to complete her military system as her resources warrant.

MR. McLAGAN, Stratford—I am pleased to second the amendment and in doing so wish to call your attention to some features in the resolution which it seems to me are not in harmony with the best interests of Canada at the present time, and give some reasons why I think the amendment is preferable to be adopted by this Conference. In the first place the resolution calls for Canada taking a share in the general defence of the Empire. It is true it has been provided in this resolution that the money to be so contributed shall be under the control of the Dominion Government, but let me point out that it is for the general defence of the Empire. While I believe we might all agree that it is but right that Canada should contribute as the wisdom of her legislators may deem wise in the defence of the Dominion of Canada, I believe we will agree that it is unwise to outline a policy which will require that which we contribute towards defences to be mixed up with that which is contributed by the British Government in any general scheme of defence. It seems to me it would be better by far that England should take charge of the general defence herself, and that Canada should confine herself in that which she contributes towards defence entirely to the defence of this Dominion. I do not think it is possible, even supposing this provision is made, that this scheme can be carried out without we become more or less mixed up in the expenditure for the general defence of the Empire here and abroad. It seems to me it is better that in this matter of defence there should be entire freedom of action, and that free and independent action will bring about better results than any pledged policy of defence. I think that Britain's treatment of South Africa in the recent peace negotiations, in the provision she has made that South Africa shall not be required to contribute one dollar towards the expense of the war that has just closed, is an evidence that she herself would desire not so much that her people in the Colonies should contribute towards the expenses which she may have to be put to in the matter of war, but that she should have our hearty, loyal, spontaneous and moral support, and that which comes from a tie of sympathy and

loyalty that she esteems far higher than any monetary support we might give. I believe myself at the present time it would be unwise for us to look farther than this, and I believe the wisdom of the legislators in Great Britain and that of many in Canada here would agree on that point. If we pass this resolution it seems to me that we are rather, as the mover of the resolution said, frustrating the very object we had in view. The tie that binds the Colonies to Great Britain has been spoken of as one of sentiment, and there have been those that have spoken as if that were a tie that amounted to comparatively little. Probably when you mix up sentiment and material interests together the tie of sentiment may not be as strong as it might be, the selfishness of human nature might bring that about, but just as long as you keep sentiment distinct from material interests, or largely so, keep sentiment to the front, that sentiment of loyalty and sympathy and love I believe is the stronger tie of the two. (Applause). For the time being I think the course of wisdom is the course of leaving this matter open, why not let things remain as they are, and let our own legislators take any steps they may deem wise for our own defence.

MR. H. LENNOX, M.P., Barrie—The question of coercion was referred to by the speaker who a few minutes ago moved the adoption of the Peterboro amendment. I do not understand that there is any principle of coercion in the resolution proposed by the Montreal Board of Trade. The system proposed, as I understand it, is that there shall be a defence fund provided and that we shall make some preparation for any emergency that may arise, and that that fund may be under the control of the Dominion Parliament. It is a question merely of taking measures in time, so that when a case arises we shall be prepared, and at the same time an intimation to those who oppose Britain, to all the enemies of Britain—and there are not a few—that the Empire as a whole stand shoulder to shoulder. The question for us to consider is whether that is a wise policy or not. Canada has arrived at the position of manhood, and the proposal to-day as was the proposal yesterday of this Conference, is that we should enter into partnership with the Mother Country. Are we prepared to offer fair terms to the Motherland for the privilege we propose to enjoy at the hands of that country? This is not a new subject, it has been dealt with by Mr. Chamberlain on many occasions, both at the Conference of the Empire and on many other occasions when Canadian representatives have been present, and what he has generally laid down in substance is this, that the first is the basis of trade, and the second is to be the basis of general defence, the two go hand in hand, and naturally enough, because it is mainly for the defence of our commerce and the extension of our trade that the armies and the navy of Great Britain are kept up. The question is, is there any good reason why Canada having attained to an important position in the British Empire, and now proposing as it does, to enter into closer relations with Britain, should not announce to the Motherland and the world at large that we shall have some resources at her back to combine with Britain's for the general defence, not engaging necessarily in European war, but in general defence of all parts of the Empire. This has an important bearing upon the question of peace. We know that the enemies of Britain have never been more alert at any time at which they thought Britain was menaced, and if it goes to the world that throughout the entire British Empire there is one strong chain, binding it together, not only in matters of commerce and trade, but also in the matter of defence, it will be one of the strongest elements that can be possibly conceived in order to secure the peace of the world around. As a matter of expense it appears to me there can be no suggestion made where Canada can defend herself at so moderate a cost as by entering into some scheme of this kind, where she can contribute having regard to her population and trade and resources generally, as compared with the other parts of the Empire. The Hon. Mr. Chamberlain at one of these Conferences referred to a very significant fact which we should not lose sight of at this time, I think he said that for the last fifty years, every important war in which Britain had been engaged had been a war undertaken in defence, not of the Island of Britain, but in defence of the Colonies and possessions and dependencies of the British Empire (hear, hear), and whether he said it in those words or not, gentlemen of this Conference looking

back know that this is the fact, and this seems to me to be an opportune time, when we are going to make proposals to Great Britain, to consider this question. Some gentleman said we should wait for natural development. I admit that, but I claim that that natural development has preceded this meeting, and that we have arrived at that time when in the fitness of things we should propose it, and no more opportune time will ever arise. There is more than this. The statesmen of Great Britain have pointed out from time to time that Canada offers no equivalent for the concessions she desires, no *quid pro quo* for what she asks, and we know, whatever has been said here this afternoon to the contrary, that Britain is looking in the direction of the Colonies doing something along this line. We need not have a hard and fast rule, but the intimation that came to Canada was that they desired that this Conference should discuss not only the question of closer relations in the matter of trade, but that the question of Imperial defence should also be one of the subjects which should receive discussion and consideration. I do hope this Conference will in its wisdom see fit to pass this resolution.

MR. H. WICKHAM, Bobcaygeon—I am afraid some of the members of this Conference have been working at cross purposes, because from the remarks already fallen from the mover and the seconder of the resolution, I am quite clear that those gentlemen, at all events, cannot have given this question the consideration they should have done before speaking on it. The question of local defence has been brought forward, but I wish to point out that the British Empire is entirely different from any other Empire in that it is essentially a maritime Empire, and unless the British Empire maintains the command of the seas, unless the British navy is free, and we are free to cross the sea at any point, the whole Empire is in danger, and Canada, as a matter of business, has imports and exports at risk from war on the sea every year to the extent of something in the neighborhood of \$200,000,000. I think that this is an interest which it behooves Canadians to look to, but the main point upon which I think there is likely to be some misunderstanding is this, as to the scope and intention of the resolution which is moved by the Montreal Board of Trade. I hold, sir, and I wish to say to the gentlemen here to-day that in no way can self-governing Colonies contribute so well to the general defence of the Empire as by re-organizing and extending their own local organizations or their own local systems, under the complete control of their own Government, that they shall remain under the complete control of their own Government. I want to say just a few words to describe what I mean. The British Navy has to be manned, and it takes men to man it. She now maintains a force of 120,000 regulars in the British Navy, she has a reserve force of 25 to 27,000 men who are merchant seamen all over the world. It is the opinion of all naval experts that that reserve force must be increased to something like 90,000 or 100,000 men. In the case of the war of South Africa, we find we have supplemented the British Army by sending out our contingent to South Africa entirely voluntarily, and our men had been trained and were fit to go into the field and take their positions alongside the British soldier, with the consent and entire approval of the Canadian people. All that is proposed by the resolution of the Montreal Board of Trade is this, that Canada shall go on and improve her organization, that she should provide a sum of money for that purpose, and that it should be expended entirely under the control of the Dominion Government, and therefore I say that those gentlemen who took the position that this was a contribution to the Imperial Exchequer, or that this was even a joint maintenance of an Imperial force, were entirely outside the mark. To-day we have 70,000 sea-faring population in Canada, the finest reserve of men that could possibly be drawn upon. There has been a proposition before the Dominion Government for some time by which the present land organization and the militia of Canada shall be extended so as to include a naval as well as a land militia. That naval militia shall be formed by the Dominion Government, paid for by the Dominion Government, but shall be ready if Great Britain shall be attacked by sea, and if Canadian commerce should be attacked by sea, to take their place alongside the Royal Navy reserve, as provided in an act for that purpose passed by the

Imperial Government in 1865, allowing such organizations, pointing out how they may be handled and incorporated and used side by side with the Royal Naval Reserve, but not without the approval from time to time of the self-governing Colonies interested. We are not surrendering one jot of the control which we have over our own finances for our own defence, but we are placing ourselves in a position, when wanted, to join with and defend the whole Empire, and we cannot do that without some proposition which will cost money. You can become a tolerably good shot with a rifle on shore with a small amount of training, but it takes three or four or five years to turn out a first-class seaman gunner. I mean to say the amount of training which the Royal Naval Reserve have to-day, and which I propose the Canadian seamen should undergo, is the very least possible amount which would make those men efficient at the time they are wanted, because you cannot turn out a gunner at the same time that you can a land soldier. There is one other point which I specially want to bring before your attention, and that is that this would be the greatest boon to our seamen and our own fishermen during the winter months. It would be a great boon to those men to be able to train and to get the pay, because it is not fair to ask them to train and to make themselves effective without pay.

MR. D. MASSON, La Chambre de Commerce, Montreal—As you are aware, the Premier of Great Britain, one of the most eminent statesmen of the Empire, the Hon. Lord Salisbury, has sounded a note of warning, and has declared the time has not yet come to safely legislate against the difficulties arising out of the burdens of finance as well as of defence, and that haste would rather foreclose the results which he thinks are in store, whilst by being patient and careful he considers the desired relations with the Colonies would in time unavoidably follow, but he consequently thinks that there is no danger for the time being more serious than an attempt to force the various parts of the Empire into an arrangement for which they are not ready, and which can only produce a reaction. Further, Hon. Mr. Barton and Hon. Sir Wilfrid Laurier are evidently of the same opinion. Both stated that the only question that could possibly be discussed at the coming Conference was the question of commercial trade relations, as they considered a hard and fast military agreement between Great Britain and the Colonies quite inadvisable. Having considered these opinions you will acknowledge there is a serious difficulty threatening Great Britain in an attempt to draw the Colonies into the vortex of European militarism. Besides the formal declarations of the Honorable Secretary of the Colonies, although favoring a much closer union, readily admits it would not have its *raison d'être* without an expressed desire from the Colonies. And also that the proposed Colonial Conference would be a business conference in order to discuss commercial relations within the Empire. As representatives of the commercial interests of the Dominion of Canada, is it not our duty to favor closer commercial relations with England and the Colonies, inasmuch as they can serve the interests of Canada, without altering our present satisfactory constitution, thus strengthening the bonds that unite the Empire, in a moral as in a material point of view? And should we not congratulate ourselves that the Honorable Sir Wilfrid Laurier, our Premier, has thought well of accepting for said Colonial Conference a mandate where prudence and tact will be of the highest importance and invaluable. Still, should we not exert ourselves more and more to impress on his mind the fact that sentiments of affection and of mutual feelings generally, in all occasions most commendable, should, in such an emergency, be of secondary importance and subservient to our national interests. Therefore I am of opinion that this Congress, relying on former repeated declarations of our Premier, should express its full confidence in our distinguished delegate, as there can be no doubt in the safeguard of Canada's interests, more so in the enhancement of its credit, if the commercial relations are discussed only from a business point of view. But this Congress might, perhaps, also take the liberty to suggest to our Premier that, whilst carrying our sentiments of affection and goodwill to Great Britain, whose army and navy's most valuable influence may have shielded effectively that Canada of ours, he should try to favorably impress his colleagues of the devoted loyalty of the Canadians. Reminding her of the heroism

of our ancestors, and without overlooking the American invasion of 1775, recall more particularly the agitated period of 1812, when bravery and energy kept to England the greatest and most valuable jewel of the British Crown. Referring also, amongst hundreds of glorious and illustrious exploits to those achieved, not only in Lower Canada by a de Salaberry who, with his 300 men so gallantly renewed the Thermopylae feat at the battle of Chateauguay, but also in Upper Canada by a Brock, another hero, who, at the extra session of the Legislature in July, 1812, rang out these clear and earnest words, "We are engaged in an awful and eventful contest. By unanimity and despatch in our councils, and vigor in our operations, we may teach the enemy this lesson, that a country defended by freemen enthusiastically devoted to the cause of their King and constitution, can never be conquered," words which have been so efficacious that the consequences have proved equal to the despatch and bravery of those who thus have helped to save Canada to England. "Whilst later in 1867 and 1870 face to face with an attack undoubtedly intended only against England, Canada anew faithfully performed its duty towards the Crown, in checking with its own men and money, the Fenian raiders; and in 1885 in a very similar manner, had the occasion to quell the North-west Rebellion. However if our honorable delegate wishes to convince his colleagues of Canada's loyalty and devotedness to the British Crown, I am led to believe that he must unavoidably bring more businesslike arguments. Why not then, as a further proof, let them know how Canada before it had any need thereof and notwithstanding its limited means and small population, has constructed the Intercolonial and the Canadian Pacific Railways, as well as canals connecting its inland seas with the ocean, thus offering a safe and direct military route, with coaling and revictualing stations across the continent, as well as uninterrupted means of transport around the world on British possessions? Whereas the construction of the Esquimaux fortifications, our postal system, our cable, wire and wireless communications have burdened our budget, and their maintenance will still absorb a large proportion of our resources.

Has not Canada done its share, and would it be right to further burden our budget? Whilst in devoting our resources to the development of our immense natural wealth and a more rapid increase in the population, we would certainly do all that the present situation demands for the prestige and strength of the Empire. Allow me, in asking your valuable aid to support the amendment, to quote anew the words of General Brock, which I consider most appropriate to the circumstances: "We are engaged in an eventful contest. By unanimity and despatch in our councils we may teach this lesson, that a country defended by freemen enthusiastically devoted to their King and constitution can never be conquered . . . in its constitutional rights." Are we not, all of us, loyal and devoted to our King and constitution? Let us pray God the Almighty to allow our gifted delegate, through prudence and foresight, to maintain the *statu quo* of our constitution. Then we may rest assured that not only Canadian interests will be safeguarded, but also that internal commercial relations with England and with its Colonies will bring closer the ties of interest, without in any way loosening the ties of sentiment or those of sympathy. Why should we not, then, formulate the general problem which should be solved at the Colonial Conference, so as to give it a practical character by asking our delegate:

To endeavor to attain the unity in the Empire for the commercial and industrial development and prosperity of its several portions.

Thus the Honorable Sir Wilfrid Laurier will undoubtedly feel duty bound, whilst safeguarding the interests of Canada, to co-operate in the fraternal and indispensable work of keeping British trade in British hands. I will conclude, gentlemen, in asking the most representative Congress ever assembled in the commercial interest of the Dominion of Canada, whilst wishing God speed and success to our sympathetic delegate, to formally acknowledge that the loyalty of Canadian British subjects is a sure warrant, that without coercion and written law (*sans contrainte et sans loi écrite*) Canadians of all creeds and nationalities will, in future as in the past keep pace with the requirements of the occasion, and that the unanimous desire of this assembly is, what it should consider its motto, "CANADA FIRST."

MR. W. F. COCKSHUTT, Brantford—I am pleased that this Congress has had the courage to discuss this question which is now before us. There was a disposition on the part of some of our fellow citizens to mark this off the programme, but I take it, Mr. President, that there is no subject discussed by this Conference that will mould public opinion so much as the discussion that we are engaged in this afternoon. It is a fair subject for discussion, and the country expects it to be discussed, and I must say, although not agreeing with our French Canadian fellow citizens in all respects, I must congratulate them upon the courage that has led them to put so many resolutions on the programme dealing with this subject. They have not been afraid to show their colors, they are men of backbone, and for that I admire them. The resolution proposed by Montreal I think has been rather unfairly interpreted, there is not a word in that about a contribution to the Imperial Government. Let that be distinctly understood. I, for one, would be the last to permit a single dollar of Canadian public money to be sent to the coffers of Great Britain until we have a voice in the expenditure of that fund. I do not think that is advocated, and that is the reason I support the Montreal resolution. I want to call the attention of the gentlemen who have opposed the Montreal resolution to this fact, that the very thing that the Montreal resolution asks for they claim is already done, and therefore why hesitate? Almost every one of those resolutions upon the programme states, "We have already done our share," and if what we have done already is our share, the Montreal resolution commits you to do nothing further, the Montreal resolution simply asks you to do your share. But I think it is evident that if a great war overtook the Empire it would be necessary for us to have greater defences than we have had. I am proud this country was able to send so many able men who have given such a good account of themselves on the battle field, but if so much was required when a mere handful of people attacked the Empire, where would we be if one of the great nations of Europe, or the great United States to the south of us, were to attack us? I want to say if we want to maintain peace we must be prepared for war. (Applause). And though we are a commercial nation, a manufacturing nation, an agricultural nation, and a mining nation, that if we are touched we must be ready to defend our homes, our families, our country, and our institutions and our flag. I think the Montreal resolution only asks that we place a competent defence where it is available at the time it is wanted, but if that is done, there is nothing in the resolution that calls for us to do more. Our French Canadian friends, I think, will realize that if we had done our share, that is all that is expected of us. If it has been necessary to expend so much blood and treasure in a war in which there were scarcely 50,000 opposing soldiers in the field, where would we be if Canada were attacked by one of the great powers of the world? Are we ready for it? We may say, "We will not be in it." Let any gentleman who says he will not be in it show how he will be out of it. Are we part of the Empire or not? If you touch any part of a man's body you touch the man; if you touch any part of the British Empire, if it is only a thousand square yards of territory, you touch the British Empire and the British flag. (Applause). And the same honor is required, the same defence is required, and Britain has shed her blood for one single British subject before this, and I believe she will do it again. (Applause). That is the honor that we have, that a British subject is a British subject the world over, and we know that in Africa and in other countries, the British Government has not failed to expend vast sums of blood and treasure to defend a single individual. That is our boast, that a British subject can go round the world, and wherever he is he has the protection of our flag and our armies on land and on sea, they are all at the beck and call of the British subject if he is molested or set upon by any foreign foe. (Applause). If we have done our duty in this respect we have to do nothing further, and this meeting is not in vain; that we have placed before this country, before ourselves and before the Empire that Canada feels satisfied that she has done her duty, and not only that, but as soon as an opportunity arises she will do it again. If that is right then let us stand in with this resolution moved by Montreal. I think nothing more simple could be proposed to cover the case. Britain enters into war with China, or some other country that we do not approve of, this resolution does not bind us to go there, but if the Empire is attacked by a

great power we are in it, because we are a part of the Empire, and we must furnish the men and money to defend that Empire, or our duty will demand that we relinquish the protection of that flag, and say to Great Britain, "We are not a part of the Empire, and therefore we will take no part of the defence of that Empire." All that this resolution asks is that we do our share towards the defence of the Empire, and that this money be expended by our own Government. This resolution does not contain anything that this money is to be expended by the British Government. No money can be expended by Great Britain until we have a voice in its expenditure. We have not got representation in the British Parliament, and we do not want it, as at present constituted, and therefore this money is to be expended by our own Government, and if it is found necessary to add a certain number of men to our militia and put one or two training ships on our coast, our Government will do that, and train our fishermen to take their share when the time comes, and I am sure that down in those lower Provinces we have men second to none in the world. There are no better men in the world than those who are exposed to the terrors of the North Atlantic. I am sure that Canadians are able and willing and ready to do their duty, whether it comes to expending their life blood, or putting their hands in their pockets to contribute to the defences of the Empire, I trust that will be the attitude of this Conference, and that we will send it out to this country as the unanimous opinion of this Congress, that all that Canada can be expected to do is her share, and if we have done that that is all we ask for.

MR. PATTULLO, M.P.P., Woodstock—After listening to the eloquent remarks of the last speaker, and of others, I am sorry that I must begin the few observations I propose to make by expressing doubt as to the wisdom of commercial bodies of this country taking up at this stage in our national history this question of military and naval defence of the Empire. Perhaps any doubt I may feel on that score is not well founded. I perhaps it is wiser to say this discussion will do a great deal of good in eliciting various opinions from the various parts of the Empire. As one who believes that the time has arrived when the representatives of all the Colonies of the British Empire might very well take up in a Conference, or in a series of Conferences, the question of the military and naval defence of the Empire, I am sorry I am not able to support the resolution from the Montreal Board of Trade. I quite appreciate and approve of most of the observations of the gentleman who has just sat down, but I do not approve of the point to which he leads us. I do not share in his interpretation of that resolution, and I may repeat an observation I made yesterday in reference to the commercial question, that I think quite as much depends on the form of any resolution we come to here as on its substance, because it is according to its form that it will be interpreted in Great Britain, where we desire any resolution passed in this country to have some effect. I think the objection to the Montreal Board of Trade resolution is self-evident from the fact that it has elicited contrary discussion here—it has elicited opposition here; I think that should be fatal; and any resolution that we come to on this subject should be one arrived at with absolute unanimity, and we should not allow any resolution, no matter what its merits or demerits be, to go to Britain as the expression of the views of the majority here, it ought to go as an expression of the views of the whole Canadian people. because if it does not express the views of the whole Canadian people it will be robbed of half its merits. The resolution of the Montreal Board of Trade says specifically: "That, in the opinion of this Conference, it is the duty of this Dominion, as an important division of the Empire, to share in the cost of the general defence of the said Empire." That is clear; it means in the entire cost of the defence of the Empire in all its parts. It is true it is qualified by the statement that the expenditure will be under the control of the Dominion Government, but any Imperial policy which would control the military and naval reserves of the Empire would be impossible to carry out. One object I have in opposing this question in its present form is that we represent commercial bodies. For myself I do not profess to have the least elementary knowledge of what the policy of the Empire should be in relation to either military or naval defence. Another thing, we have no means of knowing what the Imperial authori-

ties desire of the Colonies in this connection at the present time. To illustrate, let us consider our Canadian contingent—I am one of those who believed we should not only have sent this contingent, but we should have paid the entire cost of it—(Hear, hear, and applause). No one here will suspect me of any desire that Canada should not pay her full share in every possible way to provide for the maintenance and strength and glory of the Empire, but it was not our fault, it was the command of the Imperial authorities that things should be as they are. The point I wish to make is this, that whatever resolution we come to should be the united expression not only of everyone here, but of all the Canadian people. Lord Salisbury's advice has been quoted here, and quoted very aptly, and when he advised us to go slowly on this question I do not think that we should show that our loyalty is more exuberant than that great Imperial statesman at the head of the British Empire. We have made an enormous advance during the last few years in that sentiment which is going to be in future the greatest strength of the British Empire, we have been going much faster than anyone some years ago could have anticipated. When you look back ten years ago no responsible statesman in this country would have gone so far as most of the statesmen in this country are prepared to go now, so that it is wise for us to go slowly. There is an objection to laying down the principle here that we should contribute year after year, that we should share year after year in the entire cost of the Imperial defence, and it is this, that if we did so public opinion in the future would inevitably demand that we should have a considerable voice in the control of that expenditure and in the direction of the Imperial affairs, and this contribution of ours might thus become a fatal clog on the activity, on the policy, on the designs of the British Empire, say, for instance, in the East. How many of us Canadians understand the secret designs of Great Britain in many parts of the world? If we, as a part of the Empire, were to contribute our share to the entire cost of the defence of the British Empire, would it not result that we would be in danger of coming into collision with the Imperial authorities? Having said this much with regard to the resolution of the Montreal Board of Trade, I am sorry to say I cannot support the resolution coming from Peterboro because it seems to be a direct negative. I would be able to support it if a portion were omitted, which I think is rather offensive, inasmuch as it directly negatives the other proposition. The lines I refer to are, "And it is not now necessary in view of her undeveloped condition to pledge herself for expenditures for military and naval expenses which might cripple her in her course of development." I could, I think, support the simple resolution of the Toronto Board of Trade, "That this Conference desires to place itself on record as holding the opinion that the time has arrived when a plan of naval and coast defence for Canada should be considered." In doing that I think we are going far enough. If I had been attending the Conference as closely as some of you I should have drawn up a resolution on these lines. That in the opinion of the delegates of this Conference the time has arrived when the representatives of the various Colonies of the Empire should consider in conference the question of Colonial defence for themselves: but there is no resolution of that sort.

Now, no one questions Canada's loyalty and desire to stand by the Mother Country as in the past, and when we have here an honorable gentleman—I believe his views are widely divergent from mine on most Canadian questions—but when you have here a gentleman from the Province of Quebec, speaking as gentlemen have here to-day, I do not think anybody can have any doubt about the loyalty of the Canadian people. (Hear, hear). During this war men of every race and creed in this country have sacrificed their lives together in South Africa, and one of the compatriots of the gentlemen from Quebec has taken one of the most distinguished positions in the British army during this war. What we should do we should do as a united people, and let me call the attention of the gentlemen to this fact, that whatever resolution may be passed here will never be carried out by any Government in this country, no matter what its political complexion may be—no contribution to our own defence or to Imperial defence will ever be carried out by any political party in this country—unless it has the cordial support of every Province in Confederation. (Hear, hear). There is an elementary fact, so that I beseech,

speaking with a feeling of Canadian patriotism, I beseech the members here not to pass any resolution which may be interpreted wrongly, which may excite opposition among our own people in any of the Provinces of Confederation. This is a large question, and we have to move slowly. We cannot solve these questions in a day. What we may do here may not suit the military and naval authorities of Great Britain; so that I think considering that we have met for the first time, and for the first time this question has been discussed by commercial bodies, I think we should content ourselves with the simple resolution which would secure the cordial approval of the whole people of Canada.

MR. EVANS, Winnipeg—Like the last speaker I am not able to vote either for the main resolution or for the amendment. With a great deal of what the last speaker has said I find myself in hearty agreement; I differ from him slightly in the way I explain the objection to the main resolution. It seems to me that you approach the subject upon an impracticable and otherwise undesirable basis, that we should contribute our "share." The representative from Brantford emphasized greatly the word "share." Gentlemen, the principle of "share" is, in my opinion, an entirely impracticable basis; we never could tell, and never would be able to tell, just what our share was with respect to Great Britain. Our needs are different from those of Great Britain. Great Britain is absolutely dependent for her existence upon what she gets over the sea; we are not. We could live for years, if the war were against any other country than the United States, upon what we could produce in this country. Our needs are entirely different. Then, if it comes to the question of share, you get the idea you relieve Great Britain of something. I do not believe Canada could relieve one cent of the expenditure on her navy. Great Britain will have to do now, and always will have to do, all she can do in her naval defence. I do not believe Great Britain is spending one dollar more because of the existence of Canada. I do not think, looking at it from that point of view, that we could determine what her share is. If England had not Canada she would have to make even greater expenditure. Her expenditure is proportioned to the size of other navies, and to the extent of her transportation routes over the ocean. I do not think we can ever arrive at any settlement which takes as the basis of the settlement, the word "share," or what our portion is with reference to the Empire. I cannot vote for the resolution because I believe it is impracticable on that basis.

PRESIDENT AMES—I think we are reading into the resolution a meaning for the word "share" that is not intended. I take it the word "share" is used as an exact synonym for "participate." (Mr. Cockshutt, "Hear, hear.")

MR. EVANS—The tendency of those who have spoken on this resolution has been to lay stress upon the idea that we should take our share, and it is that principle which seems to me impracticable as a basis of what we should do. I cannot support the amendment, because I do not think we should rest where we are to-day. The principle which it seems to me we should adopt is this, that the policy of Canada should be to provide for the defence of its own interests. I do not think there is a gentleman in this room who will contest the policy that we should defend our own interests; it is the standpoint of our own interests we should take as a basis, and not the idea of any mathematical calculation of what our share should be. I believe we must accept the fact that it is our duty from the standpoint of self-respect to defend our own interests on land or at sea, at home or abroad. (Hear, hear). I have spent my time in trying to make the distinction between those two principles; we are not far apart in fact, there is very little difference between those who have spoken for the resolution and those who have spoken against it. If it is the wish of the Conference I would like to move something in this line:

That the policy of Canada should be to provide for the defence of its own interests, and that as an additional step towards this end immediate consideration should be given to a plan of naval and coast defence.

MR. JOHN R. BELL, Winnipeg—I have much pleasure in seconding this resolution. I heartily agree with the remarks made by Mr. Evans as well as with the remarks made by Mr. Cockshutt. I am sure we are all united in the opinion

that Canada must join in maintaining the honor and glory of the flag, as she has done in the past.

MR. EATON, Owen Sound—I would ask the mover of the Montreal resolution for an explicit interpretation. I think if he would eliminate that clause "to share in the general defence of the Empire" we could all unite on the Montreal resolution. It seems to me it can only have one interpretation, that we shall send funds to the British exchequer, and when we send funds to the British Exchequer, we will have to send Members of Parliament to Westminster, and we are not prepared to do that yet.

MR. McFARLANE, Ottawa—I must say I share with the speakers who have preceded me in some of the objections they have made to the resolution of the Montreal Board of Trade. It seems to me that the resolution to share in the general expense of the Empire is a mistake. The general defence of the Empire includes its military as well as its naval defence. Canada has always had its own department of militia and defence, and at the present time no fault can be found with the Government for having neglected anything which concerns the military defence of the Empire. I would rather this resolution of the Montreal Board of Trade had confined itself to some provision for the naval defence of the Empire, and in 1897, when the Colonial Premiers attended London, the Right Honorable Secretary of State for the Colonies (Mr. Chamberlain) said to them: "We would be very glad to hear from the Colonial Premiers as to what they are going to do about a contribution to the naval defence of the Empire."

I think that would be a sufficient reason for confining anything we have to say now to the subject of naval defence of the Empire. There was a second objection to the main resolution, and that is that it calls upon us to make an annual appropriation for this general purpose. That appropriation can only come from the consolidated revenues of the Dominion, that is patent, as we all know, from customs duties on imports. If we increase the expenditure of Canada by providing for such an appropriation we are bound to increase the rates of customs duties which we levy on imports, and that will of course bear heavily on trade with Great Britain and with the other parts of the Empire, as well as our foreign trade. I think the object of defending the Empire or of obtaining a contribution to the naval defence ought not to be attained in that way. I was somewhat alarmed to find the mover of the resolution referring to centralization. That is usually a word not approved of in democratic systems, and I would have preferred to have used the word "consolidations." A great deal has been said by the speaker who preceded me with regard to the share Great Britain and the various colonies ought to have in the defence of the Empire, but there are recipients of the benefits from the British navy that have not yet been referred to, namely, foreign nations. Foreign nations also derive benefits from the operation of the British navy. Where would the trade of foreign nations be without the British navy? Could their commerce traverse the high seas of the world without defence of the British navy? I trow not. It is to the British navy that foreign nations owe the scarcity of piracy on the high seas, and it seems to me something ought to be done to cause them to pay something for the benefit they receive from the operations of the British navy. It has been said also in the course of this debate that we should attend to this matter as the exigencies arise. I would ask the attention of the members of this Conference, and more especially our brother members from the Province of Quebec, to what a very distinguished French speaker said, "To govern is to foresee." To govern correctly you must see what shallows or rocks are in the way. Then, again, we have been told we must go slow; I hope we have not to go much slower than we are going. I certainly dissent from any such idea that we should go so slow as to stick in the mud. Another gentleman has said that we ought to leave it as it was left in the war with South Africa. I think that is a most unfortunate example. The war in South Africa solidified the Empire, but do we want any repetition of that sort of thing? Look at the money, and the lives and blood that it cost; do you want us to do that again? If you don't now is the time to look ahead and prepare to

prevent that sort of thing. We do not want anything of that sort. I understand there is a main resolution before the Conference, an amendment and an amendment to the amendment, and so I would not be in order if I were to bring forward another amendment expressing my sentiments, but perhaps I will be offered an opportunity to still bring forward such an amendment, if it is only for the purpose of getting it placed upon record.

MR. D. R. WILKIE, Toronto—When I introduced the question of defence into the trade resolution which was proposed yesterday, I did so with the idea that this controversy that is going on to-day would be avoided, and that we would by the adoption of a clause in the resolution recognize the responsibility we have for our own defence, and overcome the difficulties which we all recognize exist to-day with regard to any contribution from the Dominion to the Imperial treasury to be administered by the Imperial Government for Imperial purposes. At the same time we do recognize our responsibility as part of the Empire. I was glad to hear from the gentleman from Montreal from La Chambre de Commerce, that they in Lower Canada were as prepared as we are to assist the Empire when it was in distress. I think at present the desire is to have a resolution which will pass unanimously, and which will meet with the approval of even those who are not inclined to go beyond our own shores, and I have prepared a resolution, and if I had the opportunity I would move it:

Resolved: That in the opinion of this Conference the time has arrived when Canada must assume the responsibility of the defence of her territory and of her great commercial interests, and thereby contribute to the defence of the Empire.

I think that resolution would meet the objections of those who object to the Montreal resolution on the ground that it would throw the financial responsibility upon us, and the administration on some other centre of government, and at the same time it will be a message to the Mother Country that we recognize our own responsibility, and are prepared to assist her to the extent of furnishing the necessary funds for our own protection. There is no one here, surely, who will say that we should ask Great Britain for a preference in her markets, and at the same time not be prepared to defend our own shores. We are told we should ask as much as we possibly can think of, and some gentleman went so far as to say we were entitled to it because of what we had done. What we have done we have done, and to say we are to go ahead for ever and ever on the strength of having built the Canadian Pacific Railway, or our canals, or our post offices, or our telegraph lines, is perfectly absurd; but I think we have every right to say to Great Britain: "We are prepared, as a contribution to the Empire, to look after our own defence." I would be very glad if the gentlemen would see their way to accept this suggested resolution as a compromise of the whole matter.

At this point Hon. G. W. Ross, Premier of Ontario, was conducted to a seat beside the President. Mr. J. D. Allan rose to a question of privilege. He said:

As Chairman of the Committee of Management which had to do with the arrangements for this Conference the delegate will readily conclude that among the difficulties that confronted us in order to make you all thoroughly comfortable there was no greater difficulty than to find a suitable place where we could meet. We were perplexed for some considerable time, but finally the difficulty was solved by our appealing to the Hon. G. W. Ross, Premier of Ontario. (Applause). Though he was absent from the city at the time two hours did not elapse till we received his consent to occupy this splendid chamber. (Applause). The comfort of the delegates has been very materially enhanced by this consent, and I think the least we can do as a Conference is to recognize his kindness and return him a hearty vote of thanks for his consideration in this respect. I therefore move, seconded by Mr. McFee, President of the Montreal Board of Trade:

That this Conference tender to the Hon. G. W. Ross its hearty vote of thanks for his consideration in allowing us the use of this chamber for our deliberations.

The motion was received and carried with great applause.

PRESIDENT AMES—I have the greatest pleasure in presenting this vote of thanks to you, which is certainly merited. I am not going to add anything to it except that it fell to my lot to send the Premier a telegram while he was engaged in London a few weeks ago, asking if the Conference could have the use of this chamber. I had one of the quickest responses I ever had which did not come over a private wire.

HON. G. W. ROSS, who was applauded heartily, said—I thank you, Mr. President; I thank you, gentlemen, for this appreciation of this very little act of kindness or consideration on my part. When the President asked me for the use of this chamber, I thought instantly it could not be put to a more appropriate use. I knew the gentlemen who would meet here would be representatives of the industries of the Dominion, and, as this chamber was dedicated to meetings of representative men, I thought I would be only acting in the line of precedent—and you know how much governments are governed by precedent. I hope you have been comfortable. (Hear, hear.) I have read the report of your meetings, so far, with a great deal of interest, and if this little act of mine has contributed to your comfort I am delighted. I am sure no more important conference, except the Conference of the Legislative Assembly of the Province of Ontario (laughter), could be held within these walls. (Applause.)

MR. ROLLAND, Montreal—On the eve of the London Conference, where the highest political and economical questions will be submitted to the representatives of the Colonies, the expediency of arguing and pronouncing on such problems as the Imperialism and Imperial defence by the Boards of Trade may well be questioned. The House of Commons refrained from dictating a programme to our representative so as not to impede his action, and I think it would be wise on our part to imitate its discretion. After all, what do we know about the proposition that will be submitted to the Colonial Premiers? Very little. Unless these resolutions are meant as an act of political warfare to embarrass the Premier and put him in the shade with the other Premiers that will go to the Conference unfettered, I don't see what good we can expect from them. Having placed my objection on record, if this Convention insists on discussing the questions of Imperialism and a general plan of defence applicable to all the countries under the British realm, I have no objection to tell you how the French population of Quebec view these questions. There is not, I hope, any necessity to reaffirm our perfect loyalty to the British Crown and to the constitution of our common country. If our resistance to the appeal of Lafayette and Rocjambeau a few years after the cession of Canada to England, if a century of yeomen services are not sufficient proof of our devotion to our Sovereign and to the commonwealth to put our status beyond question, arguments would be useless. We hold that we are British citizens on par and with equal rights with all others; we cheerfully except all the duties implied in that proud title and we mean to enjoy all the privileges attached to the same. We have as much at stake as any one and we have a perfect right to discuss, adopt or reject any changes in our constitutional system that may be proposed to us. With regard to Imperialism, we are ready to discuss it with an open mind, to consider the advantages or disadvantages of the project; but, we must first know what it is. There have been hundreds of speeches and thousands of newspaper articles written on the question and, strange to say, we have not yet a proper definition of what that word implies. We are not disposed to swap our dearly bought liberties for a piece of moonshine, we won't give a blanket approval, we won't leap in the dark. Remember, gentlemen, that if the most of you enjoy the privileges of a second home in case of need, in England, in Scotland or in Ireland, we French-Canadians have no other home than the land where our fathers and grandfathers were born, have toiled, have struggled for self-government, and have gone to their last rest in the shade of their church steeple. We appreciate our free institutions, and we would oppose any project to part or tamper with any of them. We have, therefore, a perfect right before discussing any change in our political status, to ascertain what they are and where they would lead to. If the project of Imperialism cannot stand the

light of a free and public discussion, it is not worthy of consideration. Our prudence and hesitation in approaching that great unknown is justified by the opinion of great and wise men. Sir John A. Macdonald, who was a great patriot and British to the core, is reported by his Secretary, Mr. Joseph Pope, as saying, "That the form of Imperial Federation is an idle dream." And Lord Salisbury, not later than last month, in a speech delivered before the Primrose League, advised his over-zealous friends to make haste slowly, and "carefully consider what steps they are going to take and what result they expect to come from them; that there are all kinds of difficulties as to the burden of finance, difficulties as to the duty of defence, and difficulties as to the rights of decision which the Mother Country should retain. The tendency of human beings is to anticipate all such matters. There is no danger that appears to me more serious for the time that lies before us than an attempt to force the various parts of the Empire into a mutual arrangement and subordination for which they are not ready, and which may only produce a reaction in favor of the old state of things. If we will be careful and patient, there is a tremendous destiny before us; if we are hasty, there may be a reverse of such destiny, there may be a breaking apart of those forces which are necessary to construct the majestic fabric of a future Empire." These are the words of the Prime Minister of England, the wisest and most far-seeing statesman of the present time. Nobody will question his loyalty nor his competence to deal with such a problem, I suppose. Well, gentlemen, that is exactly the position we take in the matter; we are not prejudiced, but we are cautious. When Imperialism shall have been properly defined and digested, when it shall have been reduced to a text of law, then we shall examine the pro and con of the project with great earnestness, but we are in no hurry to part with our liberal constitution unless we receive something tangible in return. We often read and hear that Canada enjoys the protection of England, its navy, its diplomatic service, and gives nothing in return. I don't know of anything more exasperating than to see respectable publications repeating such misleading untruth. We are, on the contrary, carrying our full share of the British citizen burden. Compare the obligations we have assumed since Confederation with the state of things that then existed; before Confederation every important town was garrisoned at the expense of Great Britain. To-day not a British soldier is to be found in the country, except a small force at Halifax and Esquimalt to protect her strategic points, and even at this latter place the force is sustained by Canada. We arm and train annually 40,000 volunteers, maintain a small permanent force of three batteries of artillery, two troops of cavalry and four companies of infantry; we have military schools in the different Provinces, besides the Royal Military College at Kingston, which had already furnished over one hundred officers who stand high in the estimation of the British army. At the Union 5,000 miles of British coasts and its fisheries were protected by the British navy. That service is now performed by seven steam cruisers owned, armed and maintained by Canada. At the Union not a graving dock existed in North America; now they are provided at Halifax, Lewis and Esquimalt, where the largest men-of-war are docked. We have built the Intercolonial Railway as a military road, going round the Baie-des-Chaleurs and the Miramichi Valley instead of taking a short cut from Riviere-du-Loup to Moncton, which would have reduced the line by 150 miles. This route was selected by the English Government for strategic purposes. Before the Union British North America was composed of isolated provinces without means of inter-communication, and mutually accessible only through foreign territory. The great North-West was the abode of savages for whose conduct England was responsible. Without the expenditure of one dollar from the Mother Country, all this has been changed: the rights of the Hudsons Bay Company have been extinguished by purchase; the rights of the Indians acquired by treaties which have been religiously observed; a great railway which, including the Intercolonial, forms an inter-continental communication between the Atlantic and Pacific has been constructed, opening 200,000,000 acres of fertile land, which will make the Mother Country independent of foreign countries for her food supply in time of war, and enable her at all times to send naval crews, soldiers, guns and ammunition from Halifax to

Esquimalt in six days. The highest military and naval authorities declare that this railway, which brings Yokohama within 20 days of London, and nearer by 1,000 miles to the route via New York, is of inappreciable value to the defence of the Empire. Canada stands pledged by Act of Parliament for the payment of a subsidy of \$750,000 per annum for ten years for a fast line of steamers which can be used as cruisers in time of war, also for her share of the trans-Pacific cable. Such a subsidy is out of proportion to the advantages available for Canada from this latter enterprise. The party that will reap the benefit of the cable will be the British Commerce, the British Army and Navy and the Eastern British Dependencies. The same can be said of the penny postage, which enables the Birmingham manufacturer to correspond with his customer at Bombay for one penny, while the Canadians have to pay the same price for sending a letter from Montreal to Louvain. The last indirect contribution has been the preferential tariff, giving a reduction of 33½% to the British manufacturers by which we have weakened our manufacturing industries and incurred the ill-will of Belgium and Germany. All these contributions represent an annual expenditure of twelve millions and a half annually, and, counting other unforeseen expenditures such as contingents of volunteers, etc., foots up the bill to three hundred per head of population, not counting what we have expended to repress the Fenian invasion and the North-west rebellion. In return for these sacrifices, England withdrew her troops from Canada during the Fenian Raid, spring 1870, sacrificed our interest to all her negotiations with the United States in the Oswald-Franklin Treaty, Ashburton-Webster Treaty, 1842, Oregon-Frontier Treaty, 1846, Washington Treaty, 1870, readjustment of the Clayton-Bulwer Treaty, 1901, and has excluded our live cattle from her markets. Canada is not in England's debts and she ought to be satisfied with the present state of things. If any great emergencies arise, she can always count on the devotion and loyalty of her Canadian subjects to render what assistance they can afford. To insist on making it obligatory to contribute men and money to the general defence would be an act of diffidence on our good will that we don't deserve. After this summary review, one can better understand the wise word of Lord Salisbury, and the guarded reply made by the Federal Government to the bold propositions made by the Colonial Secretary. Sir Wilfrid Laurier has declared that he goes to London unprejudiced, that he will listen to whatever propositions may be made and will be ready to discuss them in the interests of Canada and the Empire. Surely, nobody wants to go further before knowing what will turn up at this Conference, nay, I am of opinion that we should give him a vote of confidence and strengthen his hands with all our power. To do otherwise would be usurping the House of Commons' duties and prerogatives and would only lead to confusion and mischief.

MR. McFEE, Montreal—I would like to make a change in the resolution proposed by the Montreal Board of Trade, I would like it to read as follows:

That in the opinion of this Conference it is the duty of this Dominion as an important division of the Empire, to participate in the cost of the defence of the said Empire, and therefore that an annual appropriation should be provided in the Dominion Budget for this purpose, to be expended as the Dominion Government may direct.

MR. McKAY, Sault Ste. Marie—We owe a duty to the Empire, and thus far I think we have performed that duty to the satisfaction of Great Britain and to the satisfaction of Canada. We owe a higher duty, a duty to humanity, that we should use our greatest efforts, our ability and our energy in securing a time of peace from now on. (Applause). Canada has aided the Empire very much, and we have only to go back two or three years to find our southern neighbor involved in a war, and with the war-cloud hanging very low and exceedingly black over the whole world, and what prevented that cloud bursting? It was the loyal support of Great Britain in the cause of the United States. While Canada supported Great Britain in her great trouble, the United States was no small assistance to Great Britain, and I submit our duty to humanity is this, that we should strengthen the ties that bind Canada, Great Britain and the United States, and so long as that tie exists we need have no fear of this world being brought into a great war of that kind.

I submit that our position is such that that is the course that destiny has marked out for Canada. We have a million or more Canadians in the Southern Republic, we have a great many Canadians in Great Britain, and we are getting into Canada now thousands from the United States. Ten years from now we will have at least one million men who were born under the flag of the Southern Republic. We should do everything in our power to strengthen the relations that exist between Canada and the United States. It does not in any way debar us from being a loyal son to be friendly with our neighbor. I believe that we are all a unit on this idea, that Canada will yet be as great a nation as the nation to the south of us, that Canada will yet have as large a population as there is in Great Britain and Ireland and Scotland. Our political relations at the present time are perfectly satisfactory. All we have to do is to get population and capital, and when we have a population of ten or twenty or thirty millions of people, and our relations are cordial with the Empire and the United States, is there the slightest chance of there being any great war? Could any person imagine that there could be any war between the United States and Canada, when probably we would have two or three million men who were born in the United States, and two or three million Canadians in the United States? It would be a civil war, and the most cruel civil war this world has ever seen. The Press of Great Britain has suggested that if we contributed to Imperial defences our share should be \$30,000,000 a year. Is there any man in this Dominion of Canada who is prepared to commit Canada to the annual expenditure of \$30,000,000? If not, would not we belittle ourselves? I am afraid we would take away all the glory we have gained by the noble assistance given by our men in South Africa if we give a paltry million dollars or so, when that is not looked upon as our share in Great Britain. I am strongly in favor of this portion of the Peterboro resolution: "And it is not now necessary, in view of her undeveloped condition, to pledge herself for expenditures for military and naval expenses which might cripple her in her course of development. What have we spent on militia in the last ten years? We have spent fifteen millions of dollars. What have we got to show for it in point of development of Canada? For agriculture \$2,400,000—\$15,000,000 for powder and shot. Emigration, to get in men and capital only, \$2,130,000; lighthouse and coast services, less than \$5,000,000; for mail subsidies less than \$5,000,000—yet we have spent \$15,000,000 on the militia in Canada. What could that money have done towards the development of Canada? Take for instance the Algoma Central Railway, the interest of that subsidy amounts to about twenty to thirty thousand dollars a year, and yet it has brought into Canada eighteen to twenty millions of dollars. While we are spending a million and a half on militia each year, last year we had not one red cent for railways. I submit the Peterboro resolution is absolutely right, that we have spent enough money on the purposes of militia, and that we can strengthen the defences of Canada and the defences of the Empire far better by building a Government railway to Hudson Bay, which gives you an ingress in case of war if war should ever occur. You can strengthen the finances of Canada better by getting ten or twenty millions of loyal people into the Dominion of Canada.

MR. JOHN J. LONG, Collingwood—It occurs to me that this subject now under discussion is of so much importance, not only to this Dominion, but to the British Empire, that the object will be fully served if the President of the Montreal Board of Trade will accept the resolution which has been read by Mr. Wilkie. I think that resolution will cover the whole ground, and be more acceptable to the great majority of the people of this Dominion. I would take great pleasure in supporting Mr. Wilkie's alternative suggestion. It meets my views exactly; it is in line with what we are already doing, and I think will be quite as effective in assisting Great Britain in time of need as by declaring in some other way.

MR. C. N. BELL, Winnipeg—I wish to say a word in favor of Mr. Evans' amendment, and also why I take exception to the Montreal resolution. It says,

Resolved: That in the opinion of this Conference, it is the duty of this Dominion as an important division of the Empire to share in the cost of the defence of the said Empire, and, therefore, that an annual appropriation should be provided in the Dominion Budget for this purpose.

If that means anything, it means we are not contributing anything at all. It says an appropriation shall be made. I am a comparatively young man, but thirty-two years ago I was out on the frontier with a rifle in my arm when there was not a regular soldier within a thousand miles of where I stood, and am I to understand that on two or three occasions I have served in military service in Canada, in 1866, 1870 and 1871, and on the Red River expedition—four occasions—and on two of those occasions at least there was not a regular of the British Empire anywhere within a thousand miles of us—am I to understand that Canada has never made an appropriation for the defence of the Empire? Is Canada not a part of the Empire? I went to the southern boundary of Manitoba in 1870, and faced a Fenian Raid on the Province of Manitoba. There was no time to get British regular soldiers there. Am I to understand from this resolution that we are an integral part of the British Empire, and in the cost of the defence of the Empire we are to make an annual appropriation from now on? There has always been an appropriation for the defence of the British Empire. This year there was an appropriation made for the establishment of 100,000 militia for the defence of Canada. Is not that for the defence of the British Empire? I object to that clause in the resolution, which if read by a person in England might be taken to mean from now on we are going to make an appropriation for the defence of the Empire. That part I think is wrong. I think the Montreal mover and seconder should look at that and consider the wording, and I think on the whole the resolution moved by Mr. Evans is more acceptable, that it is the expression of the people of Canada, that we are prepared to assist in defending the British Empire, and that Canada as a self governing Colony is prepared to assume such burdens in the defence of ourselves, and the general defence as the occasion may require.

MR. A. E. KEMP, M.P., Toronto—In order to facilitate the business of this Conference, I would take the opportunity of putting in your hands, Mr. President, a resolution which, if the opportunity affords itself to-morrow, I would move, and I will read it now:

Resolved: That this Conference desires to place itself on record as holding the opinion that the time has arrived when a plan of naval and coast defence should be favorably considered, and that any money provided for such purpose by the Dominion Exchequer should be under the control and direction of the Dominion Parliament, and further that our military and naval establishments should at all times be under the control of the Parliament of Canada, whether for service at home or in other parts of the Empire.

MR. DONNELLY—I have listened with a great deal of patience and interest to the discussion, and I wish to say very briefly the reason why I cannot vote for the motion coming from the Montreal Board of Trade, and I believe I am in touch with the majority of this Conference when I say that the reason we do not want to vote for it is that it at first appropriates money without having the matter considered as it should be by the London Conference which will shortly take place. I do not think it would be right to vote for the Peterboro resolution owing to the same objection expressed by Mr. Pattullo, when he said the three lines quoted by him would not be proper to pass this Conference for the reason that if you cannot do anything for Great Britain, if you cannot do anything for the defence of the Empire, it would be better at this Conference not to so state it, because the enemies of Great Britain will take that up and use it. I do not take a back seat to anyone in this Province in loyalty, but I think there is a little too much sentiment and not enough business. If I had the power to move a resolution—and I am very much in accord with Mr. Kemp's resolution—I would say that we simply ought to resolve that this Conference is of the opinion that the Colonies should be factors in contributing to the defence of the Empire in any way the different Colonial Governments think best, and we would urge that this subject be considered at the London Conference. As I understand the matter at present, we have a motion and two amendments before us, none of which are acceptable to this Conference. It has got into a sort of deadlock, we have not taken any vote, consequently they have not been voted down, but I think if this Conference were to pass a resolution that the matter of Imperial defence be

taken up—and it has our hearty support—and our representative go to Great Britain with instructions from us to discuss this matter, and then to come to a decision that will suit all Colonies of Great Britain—because we cannot expect to move alone in this question—then, I think, we will have solved the question of loyalty to the British Empire in the way the Colonial Governments think best.

Conference adjourned at 5.30 p.m. to 10 a.m. to-morrow.

FRIDAY MORNING

The Conference resumed at 10 a.m., Friday, June the 6th, 1902, with President Ames in the chair.

MR. MCFARLANE, Ottawa—I noticed that it is possible to give a notice of motion, as it were, of further amendments, even though they might not come up for immediate discussion, and I am desirous of giving notice that later on when I have the opportunity I shall move an amendment. This amendment I might say is no new thing, it has been advocated for the last seventeen years; it was brought up at the Colonial Conference of 1887, and it there obtained the approval of all the Colonial representatives present. It was brought up later in 1900, and was read before the Congress of representatives of the Chambers of Commerce of the Empire in the resolution from Montreal and the resolution from Ottawa, and I want to call your attention to the fact, especially the members of the Board of Trade of the City of Toronto, that at the present moment one of their most distinguished fellow townsmen is now advocating essentially the thing proposed in this amendment in England, and trying to convert the people of England to the same principle. I think it would be a most important thing in his advocacy of the principles that make for Imperial unity, that he should be told, "This Conference of Trade delegates from all provinces of the Dominion approve of your scheme." I shall not trouble the Conference any further because my object is simply to bring it to the knowledge of the Conference, because I am convinced after fifteen years' study that this is the solution, and I believe the only solution to the problem that has confronted the Congress during the last two or three days. With your permission, Mr. President, I will read it:

That this Conference while unable to recognize the necessity for any change at present in the arrangement which exists regarding the military defence of the Dominion, is of the opinion that a small, special and uniform customs duty should be levied at every port in the British possessions on all foreign importations, the proceeds of which should be devoted to naval defence.

PRESIDENT AMES—I may say with regard to Mr. McFarlane's notice of motion, that I believe it would be improper for the chair to receive the notice of motion. I have no objection to taking the custody of such resolutions merely as a matter of convenience, but I think their submission should wait until the amendment to the amendment is dealt with, and a vacancy created.

MR. JOHN GASKIN, Kingston—I may say on the start I am in favor of the Montreal resolution. It says that a sum of money would be granted by the Dominion Government for the defence of this country. I did not intend to take any part in this debate, but as you will notice by the programme the Kingston Board of Trade has a resolution on this subject. I might say the council of the Board of Trade had a meeting and talked over the matter, and a meeting of the whole Board was called and the resolution that you see submitted on this programme is the result of that meeting. Kingston goes further, you will notice, than any other resolution; it says that they are prepared or anxious for the Dominion Government to pass a resolution to the effect that a certain sum of money should be appropriated yearly for the defence of this country. It does not say what that sum is. Someone mentioned yesterday the sum of \$5,000,000.

I could not go that far. I would be prepared and I think the people I am representing here would be prepared to give a million dollars. I differ altogether on the way that money would be expended. We know for a fact that in Australia, for the last twenty years, they have put themselves in shape to defend themselves. The result is, as I understand, they have now two steamships there. What good would those two steamships be in case some other country made an attack on Australia? Australia would have to do something, she would have to ask the assistance of the Mother Country. Bear in mind, gentlemen, I do not take the ground that we should expend that money ourselves. We have had the protection of England for a great many years, and I think the better way would be to do what is right by England as sensible people; to say, "Here is our million dollars, in case any person in future makes an attack on this country we want your assistance." I do not wish to give any offence to any man, I am not here for that purpose, but knowing what has been done for this country by England in the past, I suppose that every man in the country would be in favor of granting a sum of money for the defence of this country, and I did not think there would be a dissenting voice, but in reading that book over I saw the people of the Province of Quebec—now bear in mind I think I have had more to do with the people in the Province of Quebec than any other man here—have several resolutions here dissenting from the position which I thought every man in Canada would take. I could not understand it. I have heard Sir George Cartier and Sir Adolph Caron and Sir Wilfrid Laurier, time after time, refer to the difficulties in 1871 and 1872, and say they were prepared to fight again—I am satisfied they are prepared to fight, but bear in mind we should go a little further. Let us look back a little. In 1763 we got this country, and in 1812 we had an American invasion. Who fought for us then? Was it not England? Was it not that man Brock, whose monument is on Queenston Heights? Who paid for that man to come here and die fighting for us? Why, sir, from 1776 until 1868 in this country there were from ten to fifteen thousand soldiers stationed at Halifax, St. John, Montreal, Kingston and Toronto. Who paid for those soldiers? Was it not the taxpayer of England who paid for them? Don't you think the time has arrived when we should go to work and do for ourselves? It has been brought up here time after time since I have been here that we have done great work in the Transvaal, but it is only right that we did it, for England has paid a shipload of money for that protection, and after paying for that protection don't you think it would be wise on our part to go to work as men and say we will appropriate a certain sum of money. I do not believe it would be wise to put up fortifications here and there, because that does not mean a cent if attacked by a foreign enemy. Suppose we put fortifications at Cape Breton; it is all right to have fortifications at Cape Breton, but suppose some enemy comes to Montreal, how are we going to stop them? What will we do? We will do just what we have been doing for the last one hundred years—we will apply to the Mother Country. Did we ever pay the Mother Country anything in proportion to what she has done for us? No, sir; the Mother Country has allowed our stuff to go into England free of duty, and we have charged her the same as any other nation. Let us be Canadians, and let us be united. Let it not go to the world that we are divided among ourselves. Look back to ancient times and what was the cause of the downfall of Rome and Greece, and other nations? Because they were divided among themselves. Gentlemen, let us be men, and to be men we must be loyal, and to be loyal we must stand by our Mother Country, and to stand by our Mother Country we must go to work and help the defence of the country, and that is the only way to do it.

PRESIDENT AMES—I think that any emphasis put upon the wish that we should all be loyal is entirely out of order. No gentleman would have been asked to meet us in Conference representing the Boards of Trade of Canada if anyone here suspected anything of his loyalty. Everybody is loyal, and I shall rule all such references out of order. (Applause).

MR. GASKIN, Kingston—Gentlemen, that is first-rate. Do you know I was pleased yesterday to hear Mr. Pattullo say the Government should go to work and

pay the whole cost of our soldiers going to Africa. I think it was a disgrace to this country that the whole cost was not paid by us, and I hope that gentlemen before this meeting adjourns, will move a resolution to that effect, and ask the Dominion Government to go to work and pay the cost of the troops we have sent there. I had no desire to say one word to offend any man in this meeting. I respect my French Canadians just as much as any man. I have had a good deal of intercourse with them. I am from Kingston, and Kingston has been a military town since 1776. We have had Imperial soldiers since that time. The soldiers that have been placed there have been paid by the Imperial Government, and we feel perhaps a little more loyal than some people. For that reason I felt yesterday that I would like to see some resolution moved here that would be a modification in some way, so that it would not go to the outside world that we are divided amongst ourselves. I would rather throw the whole thing to one side than to have any division.

PRESIDENT AMES—At the risk of the chair talking too much I would like to suggest to the members that we relieve as much as possible this discussion from all excitement, from all oratory and all bursts of patriotism. It is a business question that deserves calm treatment, and let us consider it in this way, and if we give it plenty of discussion and the press give us as good reports as their space will admit of, I believe we will render to Canada as valuable a contribution as any contribution made at this Conference. On all the other resolutions the Boards of Trade throughout the country have spent a great deal of thought, and in a measure they were thought out, but I take it the question of defence is the one great question in this country that has not been thought out. Anyone that comes to this Conference with any cut and dried ideas that he has thought it out completely, thinks too well of himself. The question is big, and it is many-sided, and it should receive the fullest, calmest and most comprehensive discussion we can give to it. Let us have a Conference about it. The question of Prohibition of the Liquor Traffic is similar to this. It was considered a very dangerous question, but we tackled it at an open session of the Board of Trade of Toronto, and that business body sat down and discussed the best laws to make regarding temperance. I think the result of that meeting clarified the situation, I think it helped to form public opinion in the Province of Ontario. Whether it did or not I believe your discussion if it is entered upon with full responsibility, without too much nervousness, without fear that any great harm is going to result from this, will be of very great value to the whole community.

MR. GASKIN, Kingston—Our resolution mentions a naval reserve, and that naval reserve could be established in this country at very little cost. Our navigation closes for about four months, and the sailors do not do anything, and there are ships in different ports in these months, and the sailors could be trained.

MR. HEATON, Goderich—We have met here to-day as a family, and we have said things which we would not have allowed to be said by an outsider, we have heard remarks made here to-day that we have been wanting in enterprise, that we have not in the past had confidence in the great future of ourselves and of our country, that we do not compare with the nerve and go of the people living to the south of us; what is the reason of this? Is it not that we have still upon us the Colonial finish? Any Canadian who has travelled abroad cannot be insensible to the fact that in meeting citizens of other countries, as a Colonial, he takes perhaps an inferior stand. It is an unpleasant fact, but why should we hide from ourselves unpleasant facts? One of the earliest recollections of my life was, as a boy of ten years, a bishop was coming to dine in the house in which I was staying, and I remember saying to a friend, "Who is that bishop?" He said, "He is only a Colonial bishop." What is behind this term "Colonial" which stings and which hurts, and which affects our standing, our demeanor, and prevents us from developing this country as we ought to do? Is it not, gentlemen, the feeling that we are not paying our way? Is it not the feeling that we do not take the responsibility that citizens of other countries take? Is it not that we are content to suck at the breast of our mother? That we do not take upon ourselves all the responsibilities of men? Gentlemen, I think that is the feeling

that pervades us all here to-day, that stands at the bottom of all the motions we have heard to-day, and when our men did well in South Africa it was at the bottom of the satisfaction we felt; there was a pride that Canadians had taken their stand by the soldiers of the Empire and had proved themselves equal to the best of them, and every right-minded man in this country has a feeling of shame that we should have sent our men there and sent our blood and not have paid for them, that we should have still been bowed down by that Colonial spirit and still have consented to suckle at our mother's breast. We cannot possibly go into details. Any resolution that is passed here must deal with the main principle, a principle upon which we are all united. It has been pointed out to-day that it would be nothing short of a calamity if it should go forth from this Conference that we are disunited, that we cannot agree in the sentiments we send forth to the world. It would be far better to have no resolution at all than to have it said we cannot agree. Whatever we say here to-day, let us say 't with force. I would like to see a resolution passed to-day confirming this principle that we, as Canadians, insist upon being men, that we insist upon taking our stand as men, belonging to a nation, that when we say we are a nation, it is not merely the wish is father to the thought, that we *are* a nation, not that we will be a nation, and those words are no idle boast. Then, gentlemen, that resolution should state that we should expend in the question of defence whatever money it would be necessary to expend if we were a nation. We have to protect our commerce, we have to protect our shores, we are spending money to-day in trade commissioners, we are trying to open up our commerce with the world, we are having a fast Atlantic service, we are talking of having transportation to South Africa and Australia—these ships have to be protected; if we were a nation, if we were standing apart from England, and not dependent upon her we would have to protect them with a navy.

MR. PERRAULT, Montreal—This is a very large question, in fact it involves the future relations of the Mother Country with her Colonies. I am sure every delegate in this room admits that we should provide for the permanency of the Empire, but at the same time give to the Confederation of Canada the fair justice which she has a right to obtain. The only difficulty among us is to find the solution of that problem. How can we maintain this great Empire for the future, and how, at the same time, can we give justice to this great Colony which should be a nation? This I propose to discuss, and I do hope that what I may say will be taken in good part by my colleagues. We are not trammelled by electors as they are in Parliament. Members there look to their future election. They are afraid very often to express their candid opinion on public questions, because they fear that it may affect their future political life. Here we are assembled, non-political men with only one desire—to do good service to the Empire and to Canada. Now, to discuss the question intelligently, let us first consider the position which the Government of Canada has taken on this question. We find this in a speech of Sir Wilfrid Laurier in the House of Commons, and what does he say? He said, Canada is perfectly satisfied with the present relations of the Mother Country, and that considering the immense expenditure which would be necessary to develop the unlimited resources of this country, he does not believe in Canada spending that money in military defence. That proposition has been entertained in Great Britain. I happened myself to be in London—Oh my! forty years ago, in 1862, during the exhibition in London. I had the privilege of sitting on the floor of the House, and there I had the privilege of hearing the great Palmerston, who was then Prime Minister of the Empire; Gladstone, who was Finance Minister, and both gave their opinions of what was then considered to be the defence of the Empire. Well, sir, what did these great statesmen say? What should be the policy of the Empire on that great question? They affirmed that the policy of Great Britain was not to expend millions yearly to prepare for a war that would never happen,—and if you look back Great Britain never had any war since—I do not speak of that little family trouble in South Africa, but there has been no serious war in forty years, and the proposition of Lord Palmerston was this, Let us develop the resources of the Empire, let us increase the wealth of the Empire, the population of the Empire and our Colonial domains, let us accumulate wealth and a reserve

fund, and when the time to fight comes we will have millions in the coffers of Great Britain, we will equip ourselves with the most modern instruments of war, both in ships and guns, and in every equipment to meet our foes, and then will be the time, and time enough to provide for the defence of Great Britain. At that time there was a scare, every county on the coast of Great Britain wanted to have immense fortifications, and they wanted fortifications for every port. There was a question of spending hundreds of millions for the defence of Great Britain and Ireland. That policy was not the policy that Palmerston adopted, and our Prime Minister to-day is following in those steps. What Sir Wilfrid Laurier proposes, and what the Government of Canada proposes—and, mind you, when the House of Commons of Canada has adopted, as it has done, a policy of self-defence, we have to respect the opinions of these men who are the qualified speakers of the people they represent, and it is idle, I consider, for a Conference of gentlemen to come, and, in the face of that declaration, to say that the policy of that Government is not the right one, and that the Prime Minister should go to England to that great Conference to take place there, trammelled with this policy, and should not be left to apply the principle which he has announced from his seat in Parliament.

MR. A. E. KEMP, Toronto—May I be allowed to interrupt the speaker for a moment? I think we ought not to introduce anything of a controversial nature in this discussion. There has been no unanimous policy adopted there, and, therefore, I would ask my friend not to refer to that particularly, because if he continues to do so, I shall feel obliged, when I speak, to combat what he says, and thus the discussion would be prolonged.

MR. PERRAULT, Gaspé—I thought that I should have to establish the ground on which I propose the scheme which I will have the honor to submit. As I said, the object of the scheme is to maintain the British Empire in its integrity, and to prevent its destruction by complications in the future. If you look to the history of Great Britain you will find that disruption has already taken place in the British Empire. When the Colonial Department imposed the tax on the North American Colonies the Colonists of Great Britain would not admit of that interference, and the consequence was that Great Britain for having imposed a few cents a pound on tea, had the War of Independence and lost half of this Continent. We do not want this thing to be repeated. We want a clause that will place us each in our own sphere. Let Great Britain attend to her own interests, and let Canada attend to her interests. I may say, gentlemen, that I do not approve entirely of the position which the Government of Canada has taken, I say a policy of inactivity, a policy of inertia, is not a policy worthy of the Great Dominion of Canada. I say the Prime Minister of Canada when he goes to the Coronation should have a policy, and when he is asked what he could suggest should not have as an answer, "I have nothing to suggest." He should have a policy which would establish what the future political position of Canada and the Empire will be, one towards the other, and I say, sir, that if we are sincere in our devotion to Canada, if we are sincere in our devotion to the British Empire, it is for this Conference and this meeting to adopt the resolution, which will be historical in its results and which will secure the permanency of the Empire, and at the same time elevate the people of Canada to the greatness of sovereignty. I say, sir, that this great country is no more a colony. We were told so last night by the Prime Minister of Ontario, and I say we have all the attributes of a great and growing nation. I say, in every question of resource and intellectual equipment we are prepared to be a nation; but, sir, on the other hand, I say this, that if we are sure to be a nation we should be citizens of the Empire, not only subjects of the Empire. I say that every Canadian should be proud to say, "I am a citizen of the British Empire." (Applause.) I am not a Colonist, as the gentleman said just now. We have a right to that position with our five millions of people in Canada, with the prospects of a great nation. We have a right to say to-day we should have all the rights and privileges of a free people; always under the Crown of England, always seeing to its interests, but also seeing to the interests of Canada,

and to do this there is a simple way, and this is what I have the honor to propose. I say, let us have full autonomy, not only in domestic matters, but in foreign matters. Let the King of England be not only King of Great Britain and Ireland, but also the King of Canada and Australia; let the crown which will be put on the head of King Edward be not only the crown of Great Britain and Ireland, but let it be the crown of Great Britain, Ireland, Canada and Australia, all of these great sister nations; and this will give the Empire of Great Britain a permanency which we hope it will have; it will prevent all the frictions that are sure to occur if this Colonial system continues. We will each have our own autonomy for governing our own business; Canada will have its foreign ministers to transact commercial questions with other nations in the world, we will provide for the defence of Canada, and we do not want Great Britain to help us to do it; we have defended Canada before.

PRESIDENT AMES—I must be allowed to interrupt; you have exceeded your time.

MR. PERRAULT, Gaspé—I am sorry I should not be allowed a few minutes more to complete my argument. ("Go on, go on). I think the permanency of the Empire is interested in what I am saying. Allow me to tell you, sir, that eminent men favor the project which I have had the honor to submit to-day. As long as we are dependent on the Colonial Department of Great Britain, as long as our Parliamentary legislation is subject to the jurisdiction of the Colonial office we are not a nation; we are to be a nation here just as much as Great Britain is a nation at home. I was told by Sir John Macdonald when I was in Parliament, before Confederation—I am one of the old guard under Brown and Dorien,—and he has maintained it in Parliament that the Privy Council in Canada was equal to the Privy Council in England, that the Privy Council of Canada had the Queen of England as its official head, and we had the full right to legislate for Canada just as much as the Parliament of Great Britain legislated for England. This is the theory, but as to the practice, we know well that the whole of our legislation has to pass through the Colonial office. We know well if we have to go to the United States for a post office question we have to send a document to the Colonial office, to the Secretary of State, to the post office department of England. They will communicate with the Ambassador in Washington, that gentleman will send it to the post office department in Washington, and an answer will go from there across the Atlantic and in six months after will reach us. Why should we not be allowed to transact our own business with our neighbor and everybody else in a direct manner? We would still be under the King of Great Britain, and still form part of the British Empire. No more friction would be possible within the Empire, no more disruption would be possible, as happened in the case of our neighbors to the south. I am sure that was the worst thing that ever happened to Great Britain when that disruption took place. As to our defence, I say we ought to assume the defence of Canada. We should have our Army and Navy, and when I speak of our Army, I am proud to say that we have men in Canada who on the field of battle are the equals of any other men. We have a history dating back two or three hundred years, we are Canadians who have been fed on this Continent, who have been braced by our climate, men whose energy and pluck and endurance and devotion have astonished the world when we had to meet our foes. This energy and pluck and endurance exists still, we have the best material possible for making soldiers, when they are wanted; but, sir, I maintain that our boys who are in the army, that the pupils of the military school at Kingston, should not be only Colonials with no aspiration of being generals; I maintain that Canada has her troops and should have the high command of those troops, and not be obliged to go to England to get a superior officer to command them. We have some of the best men in the British Army to-day who are Canadian officers, and by this arrangement we would have the command of our Navy. We would have our own coastguards, we would have all this expenditure, and we would be glad to do it because we would have a nationality, we would be recognized to the world as Canadians, and the title of Colonials would not be attached any more. We would be citizens of this great

country and we would not have the drawback of being only Colonials on the Continent of America, where eighteen republics have obtained their full rights and liberty.

PRESIDENT AMES, Toronto—I would like Mr. Masson to assume the chair for a short time, as I would like the privilege of addressing the Conference myself upon this question.

Mr. Masson took the chair.

MR. PATTULLO, M.P.P., Woodstock—I do not rise to continue the discussion. I think we should confine ourselves absolutely to the resolutions in hand. This is a question which lends itself very readily to rhetoric and I think perhaps rhetoric is a good thing, because it is the expression of sentiments which we all feel, and of which we may justly be proud; but, sir, after the inspiring influence of the coffee with which you provided us, and perhaps the more benign influence of sleep, we ought to have our heads clear this morning, and what I fear is this, that when the discussion here and the resolutions that we may come to are read abroad and in England, the British authorities will think the heart of Canada is all right but that our head is not clear. We want to create the impression abroad that our head is just as clear as our heart is right. I believe this discussion has done good, and having engaged in the discussion it would be a misfortune if we did not arrive at some resolution, and not some unintelligible wishy-washy resolution either, but something that will express the earnest sentiment of the Canadian people, which I believe to be in favor of the development of our policy of Canadian defence, which in all its essential features, as was shown through recent events, is a part of the great military power of the British Empire. I have drawn up a resolution which I hope covers the shades of opinion expressed through this discussion; I have some reason to hope it will express perhaps the moderate, the correct view, the middle view, which is always the safer, of the gentlemen of all shades of opinion here, and that is what I think we should aim at, because while as a Conference we may express the extreme sides of a question of this sort, when other men have to deal with them they cannot take the extreme side, they cannot take one side or the other, they must take a moderate course, which is usually a compromise course, which is usually the course of statesmen in every country which has a responsible government, in other words which rests on the will of the people as a whole. Here is the resolution which I should like to see accepted in substitution of one of the motions which we have now before us:

That we, the Delegates of this Boards of Trade Conference, recognizing the value of Canada's system of national defence, which may be said to include extensive and growing means of rapid transit through the Provinces of Confederation and from ocean to ocean, the maintenance of an effective militia force, of a national military college, with local schools for military training (which the loyal devotion of the whole Canadian people to the British Crown and British institutions, during the recent war in South Africa has shown to constitute an important contribution to Imperial power);

Recognizing also the growth of Canadian commerce as well as of the internal trade and the industries of the Dominion, and the possibilities of its extension throughout the world; Realizing also, as we do, the value of Great Britain's naval power, in the maintenance and protection of her commerce; and the necessity in view of changed and changing modern conditions, as revealed by recent wars and the naval policy of other countries, of adequate means of defence for the future;

We, the delegates from the commercial bodies of the Dominion, desire to record our opinion that the question of naval, as well as internal defence, is one that should now engage the earnest attention of our statesmen and people, especially in its relations to the maintenance and protection of colonial trade at home and abroad;

Be it therefore resolved: That we memorialize the Government of Canada to keep itself in communication on the subject, by correspondence or conference, with the Governments of other British Colonies, and with the Imperial authorities, in order that the development of our policy of defence may more adequately provide for the protection and promotion of Colonial interests, and contribute also in times of common danger, to the strength and integrity of the whole British Empire.

I believe this resolution should commend itself to every gentleman in this room, to men of all shades of opinion. It does not propose a definite plan, but it has this advantage, that it makes clear what I believe to be the aim of the whole people of Canada, to develop our system of Colonial self defence. I believe we have taken

the true course, not only to help ourselves, which should be our immediate object, perhaps our sole object, but to add to the strength of the Empire, and our voluntary contribution towards the Boer war shows the wisdom of the policy we have adopted. But looking at the incredible growth of our trade and commerce internally and externally, we must look forward to the development also of our system of defence, but there should be no development of our system of defence which does not include the initiation of what is commonly called naval and coast defence. There is no proposition in this resolution which will wrench the Canadian constitution, or wrench in the slightest extent the sentiment of anybody in this country, no matter how sensitive it may be. I was delighted to hear Mr. Perrault's remarks as to himself and his fellow Canadians of the Province of Quebec. I never like to describe them in any other way than as we describe ourselves, simply as Canadians. (Applause). They were the original Canadians, they are a little ahead of us, and I think we should give them the preference in describing them simply and solely by the term Canadians, of which they are proud, and of which we also are proud. I was delighted to hear from Mr. Perrault and others the unanimous declaration of their desire and intention, in common with us, to maintain the integrity of the British Empire. If that is the object of themselves and of us, as it is, why then should we not indicate that in pursuing simply a policy of colonial self defence internally and externally, that indirectly, and in times of common danger what we do in this Canada of ours will be a contribution to the strength of the Empire, and do something to preserve the integrity of this world power of which my friend and his compatriots here have expressed their pride. I think, sir, after the remarks we heard from Mr. Mulock last night, speaking as a responsible Minister of the Crown, of the willingness of the Government of this country to take up in a sympathetic way any propositions we may pass on this subject or any other subject, and after we heard from Mr. Tarte, the aggressive imperialism of Mr. Tarte, speaking for the citizens of the Province of Quebec, I think we need have no fear in passing a resolution of this sort. I conclude, Mr. President, with this observation, a repetition of what was said by others as well as by myself yesterday, that whatever we do here we should be careful to express the united sentiments of the whole Canadian people, and realize that this is a question which in its new phase is in its infancy, and we should not go more quickly than the united sentiment of the Canadian people will warrant us, not go faster than perhaps the wish and the desire of the Imperial authorities will lead us. (Applause).

PRESIDENT AMES—I could wish that I were in better form to speak on this subject. I must confess to a head a little thicker than ordinarily—too much banquet (laughter)—but I do not feel like allowing this opportunity to pass without having something to say on this important question. I believe, sir, that if we came to discuss this question only we would have served Canada in no slight degree, and that it would have been eminently worth while for us to come here. After listening to all the speeches that have been made, and trying to get my mind open in practice as much as I asked you to do, I find at present that I feel heartily in favor of the original resolution as submitted by Mr. McFee. It very often happens you know, in shopping, that a person goes into an establishment and finds the first thing offered him the very best, but with the instincts of shopping an amendment is desired, new goods are brought out, a score of clerks are engaged, and the shop explored, and the wise shopper often winds up by taking the first goods that were offered him. In this resolution we say we are an important division of the Empire. If we are, with the glories of the Empire come responsibilities, and if Canada were an independent nation she would have certain duties put upon her; she would have the duty of the development of her own internal resources, she would have the problems of transportation and other problems to deal with, she would certainly have the question of defence to consider, and it seems to me that no self-respecting country, no self-respecting self-governing Colony, that prides itself upon having its own nationality, can with dignity say to the British Empire, "We shall share all your future, we shall share in all your glory, but in the matter of defence we shall consider our own local affairs." Gentlemen, as I see it now, I don't want to be a Canadian under

such conditions ; I would rather be a citizen of the United States ; I would rather be a citizen of any country whose sons are pledged to the defence of the whole Empire of which it is a part. (Applause). It has been said, and it is a plausible statement to make, but I think it is superficial, that our service to the Empire should not be rendered under statute, but voluntarily ; gentlemen, what is this resolution but volunteering that for the future we will spend the money of Canada, if necessary, Canadians will spend money under the direction of the Dominion Government, not only on Canada, but also for the purposes of the Empire at large. The resolution provides for the expenditure of money for defence. If any part of the British Empire is attacked, Canada is attacked. This resolution does not take up the scope of offensive wars. If Great Britain enters upon any policy of aggression or aggrandisement this resolution does not provide any means to aid her. I do not wish to be lengthy, but I crave for Canada a self-reliant dignified position which makes us proud of the word Canada wherever we are. Let us remember the different points of view that come into a consideration of this point. You go down to New York, for instance, on some business transaction—I have myself gone down to New York to work out some business transaction, and when I found myself in the office of a banker and talked to him for a few minutes I realized he had a different point of view, there were conditions there which, from my local environment, I had not considered. The point of view I would like to bring before you is the point of view which naturally and rightly Englishmen must have towards the parts of the Empire. You go to London and talk of Canada ; perhaps an Englishman makes a complimentary recognition of your bravery in South Africa—we were brave in South Africa, we have no apology to offer on that score,—but when you speak of the glories of the Empire and of Canada's participation in them and you get down to figures and you discuss Canada's actual share, I think that a somewhat cynical attitude on the part of the Londoner or of the Englishman might be pardoned if he looks on Canada as a favorite child, as a very nice boyish nation, but not a full participant in the British Empire. We have not yet reached up to the status where Englishmen are justified, or people of other countries are justified, in regarding us as a nationality, it seems to me we cannot reach the dignity of nationality until, if we can consider that we are to remain a part of the British Empire, we participate in their defensive wars. The question of "share" has come up ; if we pass a resolution here, no hard and fast percentage is arrived at ; no statesmen in England would ask a clean cut and definite percentage of values, that would adjust itself. The whiphand would be held by Canada, and England could demand nothing by the provisions of this resolution, Canada would always be in the position to volunteer her aid ; Canada would simply be in times of peace prepared for war, and she would be in a position to render to Great Britain service when it was needed ; she would be in a position to withhold it if she did not think it was rightly asked, or the circumstances did not demand it. I have just two points to make and I will sit down. A short time ago there was an item in the papers that England had made an alliance with Japan. Japan, sir, had been known for many years to be a friend of England, it was felt that in uncertain times, times which were not foreshadowed, Japan might in some way be depended upon to aid Great Britain, but, sir, you all remember the result of that little announcement of the treaty made between Great Britain and Japan. Everybody recognized it as a notice: "Hands off Great Britain's property in the East." Russia was considered dealt with, Germany was considered warned off the premises ; that was done by a solidified treaty, which meant that a basis, a most simple basis, of co-operation was arranged. Now, sir, I hope for Canada an association with the Mother Country as close as that of a foreign country like Japan. We have given help to the Empire in South Africa ; our sons, as has been said, have shed their blood there and we have done our part—I do not know whether we did enough or not, I am not debating that question, but, gentlemen, you remember the appalling loss of life in South Africa, you remember the tremendous expenditure of money ; who shall say that if a definite policy had been arrived at, Paul Kruger in Pretoria would not have recognized that when he threw down the gauge of war to England he threw down the gauge of war to the combined

resistance of England, Canada, Australia and New Zealand? Gentlemen, in my opinion, nothing will make so much for the peace of the British Empire as a fixed policy of preparedness for war. (Hear, hear.) Sir Wilfrid Laurier goes to England to represent Canada in a Conference of the various parts of the Empire; we have passed a number of important resolutions; Sir Wilfrid Laurier is the accredited representative of Canada; he will ask certain things, not for himself, but, recognizing Canada as a part of the Empire, he will show that in dealing justly, wisely, perhaps somewhat generously with Canada, the best interests of Great Britain will be conserved. What could equip Sir Wilfrid Laurier with greater influence, with greater dignity in the councils of the Empire than his being put in the position to say that the people of Canada, whatever the cost—the cost would not be extravagant, all conditions would be considered—are prepared to participate in the defence of the Empire if at any time her integrity should be attacked. (Applause.)

MR. HATHEWAY, St. John—I see on this programme there are still a few important questions to be considered. I deeply sympathize with the resolution of the gentlemen from Montreal, and I rise as a business man to say that in this great Congress we should not for the present discuss a question about which we have so little information. I am surprised as a business man to hear that in all this discussion we have had almost no facts and figures given as to the possible expenditure or cost of the proposed naval and military defence (Hear, hear). As the Honorable Mr. Ross told you last night there are 118,000 men working in the fishing fleets of this country who are prepared at any time to assist the Mother country in her wars, the same as the men from the gardens and from the farms of Ontario have assisted her in the war that has just closed. Let us consider in a calm way this question who it is that asks for defence. Does Canada ask for it? I see on this book which I have that there are 168 Boards of Trade in the Dominion of Canada, and there are about 66 represented at this Conference, and you have received about ten resolutions dealing with the question of defence, and of those ten, four are distinctly against taking up this question at this time, and five are in favor of it. Now, is the dictum of Canada expressed by five resolutions that come from five Boards out of 168? I think you can hardly say it is. Does Great Britain ask you for this? Has Great Britain in any official way other than perhaps by one or two of its parliamentary members in talking, expressed a desire that we should participate in the defence of the Empire? It seems to me that Great Britain has not asked you to take up the question, and it seems to me until the mother asks the daughter to assist her in this way that our action is a little premature, when deciding to spend an amount that may be all the way from six millions to thirty millions of dollars yearly. Do we know what we have done during the last few days? We have passed resolutions with reference to a fast Atlantic service and as to the improvement of our ports on the shores of the Atlantic, and these projects will cost millions. Is it wise and well for business men to give their stamp of authority to the resolution which virtually asks the Dominion Government to spend another large amount of money, and increase the debt which is now piling up on this country? I would like to ask if Great Britain does not realize in her Colonies not only a great power to help her when difficulty arises, but still a deeper power, that during the next ten years Canada, Australia, and South Africa will be able to supply Great Britain with all the necessaries of life? Great Britain knows she has been creating, as we have been creating here, another Britain across the seas to help her in any struggle that may occur. We have always been willing to do it, and when the time comes we will be willing to do it again. I have some figures here which I want to put before you to show that the four great colonies bought from England in the year 1900 eighty-four millions pounds sterling worth of goods, that the two great European countries, France and Russia and the United States combined, bought only seventy-five million pounds sterling worth of goods.

MR. A. E. KEMP—What did Great Britain buy from the Colonies?

MR. HATHEWAY—I have not the figures with me. We bought nine million pounds more goods from Great Britain than those three great countries did. This is something Great Britain feels. Last night I heard two great speeches, to say

nothing of the other speech given by the member for St. John. One was given by that eloquent representative of the French-Canadian race, the Hon. J. Israel Tarte. He was careful to speak of the different things we have done here, but did he mention defence? He was most careful to speak about the trade relations. The speech of the Hon. G. W. Ross was a masterly production setting forth the resources of Canada, but he in no way suggested the wisdom of going on with this great question of defence. I would refer to the Toronto resolution. I do not think for a minute the Toronto gentlemen had any idea when putting that resolution on the list that it might be taken by the nation to the south of us as a desire to get independence, but it would look almost as if this little country of Canada wants to fling itself off from under the aegis of Great Britain and become independent. Therefore, I think perhaps it would be unwise from that standpoint for us to consider that resolution. Two days ago in this hall the gentlemen among us were full of fear. To-day, I see that fear has gone and courage has come to us; two days ago some of us were afraid that Germany and the United States might be offended; but it seems to me we have all become knights. In respect to the Montreal resolution while they have changed the word share to participate, the idea remains the same. Do we think, Mr. President, that any gentleman here who will speak during the next half hour any figures will be able to show what that is? It seems to me until we have definite information it is hardly right for us to consider this question. I would like to see the resolution of the gentlemen from Peterboro carried, if those three lines which have been referred to were torn off, and I would urge the mover to accept that suggestion. This chamber to-day has a grave responsibility upon it. I believe Sir Wilfrid Laurier said the other day that militarism was somewhat too paramount in this country. I believe in the red coat of the soldier, I know that the red coat of the soldier is the type of unselfishness, I believe in military equipment and all that is necessary for our ordinary defences, but, Mr. President and gentlemen, there is something else that stands deeper at the foundation of all our prestige and wealth, it is the home of the farmer and the pickaxe of the miner, and all that can produce wealth. Some gentlemen here would seem to consider the great military equipment of this country first and the great commercial advantages last. As for patriotism, we need not talk about that; we know how we feel. Those men who come from the Norman and the Gascon have always been ready, and I believe will always be ready, to defend our country, and you men that come from the slopes of British Columbia, where the pine trees grow large and thick, I know when the time comes you are ready to do your duty, and the same with regard to the men from Manitoba and from all over this Dominion. We men who breast the Atlantic will not speak of what we can do, for Mr. Ross told you last night that 118,000 men are ready and willing to defend the Empire when occasion arises. I hope the Conference will pass the Peterboro resolution, and we can go back to our various Boards of Trade and gather together figures and will be better able to discuss the question at another Congress.

PRESIDENT AMES—I rise to a question of privilege. I desire to introduce formally to the delegates His Worship Mayor O. A. Howland, of the city of Toronto. (The delegates rose and greeted Mr. Howland with a hearty applause). May I be allowed to say, Mr. Chairman and Your Worship, that this Conference was called for a two days' session. There were twenty subjects to be considered, and we felt the time at our disposal was very limited, and that is the reason why it had not been suggested by the Managing Committee of the Conference that the Mayor be requested to give an address of welcome. We went at the opening of this Conference very boldly. The Premier, as you know, kindly volunteered the Chamber and we thanked him for it, you kindly gave us the hospitality of the city of Toronto, and in a measure your policemen are looking after all these gentlemen, and all facilities are being provided, and it was not meant that the city of Toronto should be in any way overlooked. We have now a third day session, which was not anticipated, and though we have a lot of business yet to get through, the third day allows us an opportunity to ask you formally to welcome the members to the city. (Applause).

MAYOR HOWLAND—Mr. Chairman, Mr. President and gentlemen, I am sure our citizens would have been sorry if it had not been found possible for the city of Toronto to express in some inanner its sense of the honor done it by the assembly here of this most important Conference. We endeavored to do what little we could in providing a place for your entertainment last night; as a crowning exhibition of our warmth of feeling we decided that that building should never be degraded by any less worthy object. (Applause and laughter). I beg therefore to convey to you our warmest and most hearty welcome to this City. We feel always delighted in Toronto to receive representatives from other parts of this country or of the world, but on no occasion could it be more interesting than the present, when the commercial representatives of all this great Dominion are gathered together at such a critical time in our commercial and political history. We feel sure that the wisdom and the mature thought of this assembly will do much to enlighten the public mind, not only of this country, but of the whole Empire and of the world, upon some of the perplexing problems in working out the destinies of our great Empire. I do not see that it would be appropriate just now to take up your time at any length with anything resembling a speech.

His Worship, Mayor Howland then addressed a few words in French to Mr. Masson, the Chairman, and in resuming his address to the Conference said :

Gentlemen, I thank you very much for your kind reception, and I hope this Conference will not be the last occasion on which the united wisdom of the commercial representatives of this country will be exchanged in a great assemblage of this kind. (Applause).

MR. MASON—Before leaving the Chair I have to thank the Mayor of Toronto for his kind words. We have admired the city of Toronto very much, and we will have a further opportunity of doing so. I am sure we appreciated all that has been done for us. I never expected that the Mayor of Toronto would be so kind as to say a few words in my own language.

PRESIDENT AMES resumed the Chair.

MR. JOHN DONNELLY, Kingston—I came here from the Board of Trade in Kingston pledged to support a resolution (and that is the only reason I wish to speak at this time), a resolution which is even stronger than the Montreal resolution. It is a resolution which says that it would be advisable to establish naval reserves, and also advisable to appropriate a sum of money annually in the Dominion Budget as a contribution towards the actual cost of maintaining the navy. I rise in my place, as it is my duty to the Kingston Board of Trade, to state that I am going to support in its entirety the resolution passed by the Board of Trade of Montreal. I do that after listening to the very calm and lucid remarks which you made from the floor of the House a few minutes ago. Your remarks have convinced me that this is the resolution which should be supported by this assembly, and I also think that after all this discussion which has taken place, if this assembly does not pass something of this sort, if they do not go as far as to support this resolution of the Montreal Board of Trade, they will be doing more harm to the cause of Empire than any of us want to do, because it will be spoken of widely throughout this country that the Conference of the Boards of Trade of the Dominion were not agreeable to even passing such a resolution as this. I listened to the words of my friend Mr. Hatheway from St. John, and the only point that I wish to touch upon is with regard to his remarks that the daughters need not offer assistance to the mother until she asks for it. Mr. President, if I have a child in my family that will not come to my rescue until he is asked, I do not want him there. I want my children to be ready at all times, and I want them with better knowledge than I possess to look forward to the times and see if I am in danger, if I am in trouble or likely to be in trouble, I want them to come forward and say at least, that should a danger arise, should trouble loom up in the future we are by your side to take your part. I heartily agree with the sentiments expressed by yourself, Mr. President, and I submit the Conference can do a better thing than to adopt this resolution and show to the countries of this world that the daughters of the Motherland are ready to rally round her in times of trouble.

MR. ROBERTSON, St. John—I regretted very much when I saw on the programme that this subject was to be dealt with. I will not take up your time, but would like to say that there was a very general opinion during the last elections in Great Britain that we were not taking our fair share in the defence of the Empire. I took the opportunity of calling on and conversing with a very able man indeed, a King's Counsel, who used very nearly the following expression on the platform: "While we admire what the Canadians have done for us, and they are noble fellows, yet the British taxpayers have to bear the burden out of their own pockets." I said to him, "My dear sir, I am afraid you do not know what Canada has done. To-day there are not five hundred British soldiers in the Dominion of Canada, Halifax is garrisoned by our own troops, Quebec and Esquimalt with the exception of the Engineers, we have our military school," and I went over what we all know about what we have done. While I mention that, I would like also to say this, from the discussion I have heard here, if we are in earnest, and I believe we are, we have come to the parting of the way, do we intend to remain an integral portion of the British Empire, or do we not? If we do not, and are going to paddle our own canoe as Canadians, let us pass a resolution to that effect, and what would the effect be in the world to-morrow. We know we intend to remain an integral part, and therefore there is a resolution here that expresses my feelings as nearly as any of the resolutions I have seen, and with your permission I will read it, because it is short and concrete, it does not commit us in any way, and does not interfere with Sir Wilfrid Laurier, and the representatives of the Cabinet on the other side; and let me say, so far as I am concerned, I am perfectly willing to leave the whole question with Sir Wilfrid Laurier himself. The resolution to which I refer is this:

That this Conference of Boards of Trade of the Dominion is of the opinion that integral parts of the Empire should be factors in contributing to its defence.

That is just what we have been for years, what we are now, factors in contributing towards the defence of the Empire. I merely wish to say, and to put myself on record, as one of the representatives of the city of St. John, that I am prepared, as a citizen of Canada, to put Canada first against the whole world, if I may say that (applause), but just give us the control, as we have the control, and we are willing to be factors, as we have been factors in the defence of the Empire. (Applause).

MR. THOMAS CONLON, Thorold—At the risk of being considered disloyal I feel the opinion is forced upon me that it would have been much better if this question of defence had been left off our programme altogether. The further we go into it the worse it gets, and by the time it gets through this House the author of it will scarcely recognize it. In listening to this discussion the question has forced itself on my mind, why so much thought for your defence when there is no war, no rumors of war, no possibility of war, and in fact the greatest war that Great Britain has had to contend with in many a year is just over, and we see the whole nation delighted, and Canada delighted also, showing a complete readiness to "bury the hatchet" and I would say, for goodness' sakes bury it. I may be wrong, but I really and honestly feel that these people who seem to be worrying so much about the integrity of the Empire are really liable to do mischief in this country. We all know what an element there is in that country to the south of us, and we know that it was largely the jingoes of that country that forced them into war with Spain. We know that same element is ready to-day to make this discussion here a pretext for urging trouble between their country and Canada. On the other hand, we all know that it is the earnest desire of Great Britain and this country and also of the United States Government, and the majority of the people of that country, that we should live harmoniously together. Will that condition be improved or brought about by such discussions as this? I say again, it would have been far better if this question had not come up at all. I will go further and say I agree with the statements made by our Premier, Sir Wilfrid Laurier, on the floor of the House, when he stated that he agreed with Sir Charles Tupper that the day that this country bound itself to England to help to support her wars, that day we would begin to drive in the wedge that

would break up the British Empire. I honestly believe that is the truth. I feel this Conference is not qualified to decide this question. I think the men behind this resolution are zealous people, they have the good wishes of this country at heart, but I really believe they are mistaken, and I say the best thing we can do is to bury this militarism. I give credit to our Government for refusing to discuss this question at all in going to England.

MR. WILLIAM PRESTON, Stratford—I am glad to have an opportunity of speaking for a minute or two to express my approval of the motion read by Mr. Robertson. I ask the question: "What does the defence of Canada consist in, how can we best improve the defences of Canada?" I claim we can best improve the defences of Canada, not necessarily, or perhaps at all by an expenditure of money in the way of naval equipment and coast defences, but by maintaining the loyalty, the warm-hearted loyalty of the people of Canada to the British Empire. Can the defences of Canada, as thus expressed in the loyalty of Canada to the British Empire at the present time, be strengthened any more than at present? The South African war has proven to the world that Canada is full of loyalty to the Motherland, and at the present time it does not require any agreement between us, either as regards preferential tariff or in regard to defences for Canada to range herself alongside the Old Land in her time of trouble, and if necessary to die with her as against the whole world. I maintain, Mr. President, that in considering the question of the policy of this matter as Canadians we must consider firstly the unity of the Dominion of Canada. We cannot do anything more to weaken the Empire than to imperil the unity of Canada, and any action that is taken in this regard must receive the endorsement of every Province in this country, and of every race inhabiting it. I believe we should go slow on this question.

MR. STEPHEN NOXON, Ingersoll—I am sure the Board will agree with me that this matter is one of no small importance. This is evidenced by the great amount of time and earnest attention which is being given to it by this Conference. I must say that I am not in accord with any of the resolutions which have been put before this meeting. I would rather caution that we go slowly in this matter. The country has been making military history pretty fast for the last two or three years. We have proved the loyalty of the people of this country and their willingness to assist the Empire in cases of necessity, and we will be glad to assist again when the occasion arises. I believe it would be most unfortunate if we put ourselves on record to any considerable extent at the present time which would bind us to any future course, for the reason, we might find as matters developed that we had not gone far enough, or, on the other hand, that we had gone too far. I do not believe, Mr. President, with all due deference to the members who are here today, that we are sufficiently aware of the sentiment of this country at the present time to pronounce for the people, whom we represent, as to what their particular views are in regard to this matter. I think it would be far better if we delayed for a short time, and we would then come more in touch with the sentiment of the people generally. We, as business men, are more enthusiastic in matters of this kind. The majority of the people of this country, who are the body politic, are not in sufficient touch with us at the present time for us to say what their sentiments are. I would advise us to go slowly at this time, and not commit ourselves for the future to anything we would have cause to regret.

MR. GEORGE E. DRUMMOND, Montreal—I think my friend Mr. Noxon could not have been here on Wednesday when we discussed the great question of preferential trade between England and her Colonies, or he would not take the position that we did not owe anything to England.

MR. NOXON, Ingersoll—I did not say we did not owe anything to England, you must have misunderstood me, but I may say now that I do not think we are in a position to say what it should be.

MR. GEORGE E. DRUMMOND, Montreal—The reason I refer to this is that our friends from the West, and every Canadian here supported them, made the statement that we could supply the Empire with her food supplies. I, for one, would never have supported that resolution if I did not believe that Canadian people had

self-respect enough to pass a resolution coincident with that, undertaking to deliver the goods in England. (Hear, hear). One of the strongest arguments brought against our contention that the Great West could supply England was brought up by Mr. Chown of Kingston. Mr. Chown said Great Britain to-day is guaranteed more or less in times of war because she obtains her food supplies from so many different nations. We are going into competition with those foreign powers, and—I want to talk as a business man—we want to be in a position to deliver the goods safely, whether it is in war time or in peace. We must not forget that Great Britain during all the history of the past most generously has by her flag protected every single cargo that Canadians have sent across the Atlantic and we are bursting our bands in Canada, we are reaching out for a market all over the world, and in reaching for that market we must have protection, whether we pay for it ourselves or Great Britain pays for it.

MR. M. C. ELLIS, Toronto—I think that the general opinion of Canada has been pretty well voiced by a statement which was made by Mr. Barton, the Premier of the Commonwealth of Australia, when he said: "We must remember that the difficulties of the Empire are the difficulties of Australia." By that he did not mean we were to jump into every war in the Empire, but that we must be prepared to take our share in all matters which affect the integrity of the Empire, even as the Empire with all its magnificent resources was always ready to help us, and help us with no slothful hand. On this subject among the Colonies I think there is a divergence of views; in the varying conditions of the Colonies no scheme is applicable to all, but with all there lies a strong desire to maintain to the utmost the strength and integrity of the Empire. Our future depends on the strength of the Empire. Preferential Trade has been introduced to us, we have asked for it, and we have passed that request almost unanimously. Are we in the face of making that request to ask for something and to declare ourselves unwilling to do something in return? We have already admitted our obligations, therefore we have no objection to admitting our obligations in a resolution, nor do we think so meanly of the talent of our Premier or of the Colonial Premiers that they cannot devise a means whereby to fulfil these obligations without the least likelihood of our voluntary action being impaired. Further light is needed, and the chief work of this Conference is to provide a resolution which will be an answer to the invitation which has been extended to this country on the question of defence, and what we as business men want to do is to say that we are prepared to accept a measure of responsibility so long as in the matter of payments they shall be made and controlled by the Dominion Government. We have no machinery at present to authorize any payments to be made to the British Exchequer; it would be taxation without representation.

MR. RANSFORD, Clinton—I desire to place myself on record in no uncertain sound, as being in favor of the Montreal resolution. We have heard a great deal about the United States. We have heard the United States referred to as our friendly neighbors, a title which I wish I had time to take exception to and to give my reasons why I do not regard them as friendly neighbors. So many gentlemen on the floor of this House have spoken of the United States in adulatory terms, and I think some of these people would like to hear what a very prominent opinion in the United States is on this question.

MR. DUMBLE, Peterboro—I object to anything being said here that may make feeling with us and our neighbors. I do not think it is in point.

MR. RANSFORD, Clinton—I am going to restrain myself from saying what I would like to with that very view, but I want to tell this House what an opinion in the United States is in reference to this very subject.

PRESIDENT AMES—I think that is out of order. This is a question of defence, and that means possible complications with the United States or anybody else. The opinion of the United States, or that of any other country, at this stage I think is not a fit subject.

MR. RANSFORD, Clinton—When the people in the United States tell us that the very least we can do is to take some such step as that pointed out by the reso-

lution of the Montreal Board of Trade, and when they taunt us with being nurslings and sucklings, it is about time we throw back the taunt in their face and show we have arrived at the period of our manhood and will take upon ourselves this position in the defence of the Empire.

MR. W. J. FERGUSON, Stratford—We heartily support the Peterboro resolution, because we have a clear statement that we will proceed to provide the necessary means of defence for our own country, and that is practically as far as we should go at present in my judgment. I object to any written law as to any definite, fixed amount for foreign expenditure. In view of the fact that we are now about to enter upon expenditure in connection with our merchant marines, and in view of the necessity of the development of our resources throughout the entire country, I am sure it would be wise to husband all our resources to that end, and in no way can we better strengthen the hands of Great Britain than by developing the resources of our own country.

MR. C. B. WATTS, Toronto—I hold in my hand a copy of a resolution which was practically agreed to as a compromise by several of the representatives of Montreal, and other delegates, last night and this morning, and I will read it to you, hoping that it will meet with the approval of the House in every respect :

That this Conference places itself on record as holding the opinion that the Dominion as an integral part of the British Empire should arrange a plan of coast and naval defence for the protection of her growing commerce on the seas, and that any moneys appropriated for such purpose from the Dominion Exchequer shall be under the control and direction of the Dominion Government.

That resolution simply says we should provide for our own defence, and our own money that is voted for that purpose should be under the control of the Dominion Government. I think that will meet all the requirements of the Montreal Board of Trade resolution, and it certainly meets the objection that has been urged, and strongly urged, by some of the gentlemen from Quebec, that we should devote our money to our own defence. Certainly we are prepared to defend our own coasts as far as we can; if the money is voted by our Parliament, for the building of fortifications or anything else every Canadian will vote for it, and will approve of it. I cannot move this resolution on account of the motions that are already before us, but perhaps it would be accepted as a compromise resolution and be carried unanimously.

MR. N. GARCEAU, Drummondville—As a delegate of Drummondville, Quebec, I want to express the opinion of the people who sent me. There is no doubt that in the Province of Quebec the people are ready, and have always been ready, to fight the battles of the British Empire and the battles of Canada; the only difference between some of us here in this Conference is as to the means to be adopted to make the British Empire stronger, and we think the best way is to make Canada stronger. If Canada is made stronger the strength of the total Empire will be greater. We think in that part of the Province of Quebec from where I come that we are acting as allies of Great Britain, and that the strength of the ally is always the strength of the other party. We do not think we should pay a certain sum of money to make preparations for the other side. I put myself on record as supporting the Peterboro resolution.

MR. J. BUREAU, M.P., Three Rivers—In my opinion the Montreal resolution says too little, and is capable of being made to say too much. It says :

That in the opinion of this Conference it is the duty of this Dominion, as an important division of the Empire, to participate in the cost of the defence of the Empire.

It was said yesterday that each part of the Empire forms a unit, and if one part of the Empire is touched, the Empire is touched. If this resolution means anything, it must mean what the proposer of the resolution says, that it is an appropriation of money, which, if not used to improve our local system here, must be expended outside of the Dominion of Canada and within the Empire. The mover of the resolution said it would be nothing to tax us so much a head, totalling to some five or six million dollars a year, and is it the idea of the mover that that

money would be handed over to England to use it as she pleases? If that is the idea we would take money from the people of Canada, and it would be expended by a body in which those who gave the money would have no representation. Then, if it is the idea that the Dominion Government shall go there and say, "Gentlemen, we have six millions at your disposal; we want you to take three millions and use it this way, two millions and use it that way, and the other million this other way," I do not think it would be loyal to go there and dictate what they should do with it. Let us say exactly what we want. We ought to do this on business principles, and there is where business men shine. They generally put in a few words exactly what they want. This does not say what we do want; it does not say whether we want to make an increase for our military appropriation or our military defence or to give the appropriation to England.

MR. BOWMAN, London—I simply wish to say that I support the resolution of the Montreal Board of Trade. I think the resolution is safely guarded. I do not think there is any danger of this country adopting the principle laid down here. We have the control of the appropriation, we also have absolute control of the way the money would be expended, and I do not believe that if a reserve fund is created for the defence the Mother Country would ask us to draw upon that fund and use it in any way that would not be in accord with the hearty wishes of the people of Canada. We have been very bold in making our suggestions in regard to the trade policy with the Mother Country, and we have asked her to make a very radical change in her trade policy, and we expect to reap from that larger advantages, greatly increased trade between Canada and the United Kingdom. I believe, as far as this fund for defence is concerned, it should be used to form a naval reserve, and I am firmly of the opinion that, if we are asking so much and are so bold in intruding ourselves into the commercial policy of the Empire, we should be willing to assume, in some measure, a portion of the burdens that we incur by the adoption of the trade policy which has been suggested by these Chambers of Commerce. Therefore I have much pleasure in supporting the resolution of the Montreal Board of Trade.

MR. S. D. STONE, Sault St. Marie—I wish just in one word to express my opposition to the resolution of the Montreal Board of Trade. If this country has any money to expend upon militia for defence it should be expended in the Dominion. I speak for the Peterboro resolution. I do not think any gentleman here can claim that this country is at the present time equal to voting anything like five million dollars a year for outside defence. If \$5,000,000 were expended in providing better dock facilities it would so add to the solidarity of the Dominion that the strength of the Empire would be ten times better.

MR. G. F. CAMPBELL, Halifax Board of Trade—I have come with an open mind to this discussion, thinking some amendment might be offered which would be an improvement on the Montreal resolution, and I have not yet heard any amendment which has in my opinion improved upon it. I very much sympathize with the amendment suggested by the gentleman from Toronto and if that were going to be a compromise I would be glad to vote for it, but I do not think it will be accepted as a compromise and therefore I am going to vote for the Montreal resolution.

MR. THOMPSON, North Sydney—Are the representations in the Peterboro resolution correct? The insinuation in the first clause is that we built the Canadian Pacific Railway for military purposes. (Several delegates, No, no). Look at the resolution. I submit that that resolution implies that the C.P.R. was built for military purposes and at considerable cost to the country, which indicated we are willing to assist the Imperial Government, but therefore, having done our duty, we should not be called upon for further defence of the Empire. I submit that the Canadian Pacific Railway was built for commercial purposes. I submit British Columbia came into Confederation on the understanding that there was to be a transcontinental railway built. That railway was built for commercial purposes, and it has been a grand success. It has repaid Canada a hundred fold, or it will

very soon, but I cannot see how any honorable gentleman here can vote for a resolution which says that the Canadian Pacific Railway can be used for Imperial purposes and therefore we should do nothing. The Imperial Government is to-day spending money for the defence of Canada, right down at Halifax; forts are being built there that are costing thousands and tens of thousands of dollars. This resolution goes on to say that we will assist in time of need. That means Great Britain is to keep up the defences of the Dominion of Canada at her own expense, and when a war comes we will be generous enough to send men to help them, but in the meantime the taxpayer of Great Britain has to pay money for the military forces of Canada. I believe we should furnish money to build forts if necessary, and carry on the defence of this Dominion.

PRESIDENT AMES—I will declare the debate closed except for the reply of the mover of the resolution.

MR. WATTS, Toronto—Do you mean the debate is closed on the whole question, or that there may be an amendment moved when the amendment to the amendment is disposed of.

PRESIDENT AMES—I mean we are ready for the vote and there will be no more speaking before that vote is taken, except by the mover of the resolution.

MR. McFEE, Montreal—In my remarks yesterday I endeavored to emphasize that this country possessed a wealth that in importance no other part of this Empire could equal and it was on that ground that I claimed we should have every guarantee that this heritage that we possess should be kept available to us. Since I have listened to the arguments I am more convinced that this resolution which I moved is the proper resolution for us as a commercial body to pass. We intend as Canadians that there shall be in the hands of our Finance Minister at Ottawa something that will provide for the necessary defence of the Empire from a Canadian standpoint. We don't say what that should be, but we have a heritage here, and we require every guarantee possible that this country will have ample protection. I hope I have made myself clear in regard to our resolution. As to the Peterboro amendment which is before the Conference the whole gist of that amendment is summed up in three words, "It may be assumed." Do I hear any business man in this Conference say he is prepared to do business on an assumption?

PRESIDENT AMES—Your time is up, Mr. McFee.

The amendment to the amendment was put to the meeting, voted on and declared lost.

The Peterboro amendment was then voted on, and the President declared the amendment lost.

MR. A. E. KEMP, M.P., Toronto—I beg to move the following amendment:

That this Conference places itself on record as holding the opinion that the Dominion as an integral part of the British Empire should arrange a plan of coast and naval defence for the protection of her growing commerce on the seas.

I am not going to take up the time of the Conference at this stage in discussing the question; I would rather this Conference had not met than for us to say that our militia system should not be extended to take in a coast defence system as well. We are not contributing to the British Exchequer, so we are not putting anything beyond our control, but I think we ought to take a more independent position, and that we will not be under any obligation whatever to the British taxpayer. We are men and ought to take an honorable position in regard to this matter.

MR. HUGH BLAIN, Toronto—I beg to second that resolution, and my only motive in doing this is that I believe it will improve my citizenship.

Mr. Kemp's amendment was voted on and declared lost.

MR. PATTULLO, M.P.P., Woodstock—I beg to move the following amendment:

That we, the delegates of this Boards of Trade Conference, recognizing the value of Canada's system of national defence, which may be said to include extensive and growing means of rapid transit through the Provinces of Confederation and from ocean to ocean, the

maintenance of an effective militia force, of a national military college, with local schools for military training (which the loyal devotion of the whole Canadian people to the British Crow and British Institutions during the recent war in South Africa has shown to constitute an important contribution to Imperial power);

Recognizing, also, the growth of Canadian commerce, as well as of the internal trade and the industries of the Dominion, and the possibilities of its extension throughout the world;

Realizing, also, as we do, the value of Great Britain's naval power in the maintenance and protection of her commerce, and the necessity, in view of changed and changing modern conditions, as revealed by recent wars and the naval policy of other countries, of adequate means of defence for the future;

We, the delegates from the commercial bodies of the Dominion, desire to record our opinion that the question of naval as well as of internal defence is one that should now engage the earnest attention of our statesmen and people, especially in its relation to the maintenance and protection of Colonial trade at home and abroad.

Be it therefore resolved: That we memorialize the Government of Canada to keep itself in communication on the subject by correspondence or conference with the Governments of other British Colonies and with the Imperial authorities, in order that the development of our policy of defence may more adequately provide for the protection and promotion of Colonial interests, and contribute also, in times of common danger, to the strength and integrity of the whole British Empire.

MR. HUGH BLAIN, Toronto—In seconding that resolution I may say that I consider it the next best thing to the resolution just disposed of.

Mr. Pattullo's amendment was lost on a vote of 34 yeas, 36 nays.

The main resolution, moved by Mr. McFee, of Montreal, was then put to the Conference and was carried on a vote of yeas 40, nays 32.

The Conference adjourned at 1.30 p.m. to 2.30 p.m.

On resuming at 2.30 p.m. President Ames read the following letter from the Hon. R. L. Borden:

A. E. AMES, Esq., President Toronto Board of Trade:

HALIFAX, N.S., May 31st, 1922.

DEAR MR. AMES,—It is with great regret that I find myself unable to be present at the Banquet which is to be tendered to the delegates attending the Conference of the Boards of Trade of the Dominion of Canada at Toronto. Professional engagements which have been long postponed and which cannot be delayed further compel my presence here during the next three weeks at least.

Permit me to congratulate the Toronto Board of Trade upon its forethought in promoting this Conference of the leading business men throughout the Dominion. On many occasions I have maintained the necessity that not only our public men but our citizens generally throughout Canada should become better acquainted with the different portions of the country. This eminently applies to those who represent different communities in their Boards of Trade. Nothing will contribute more to disarm prejudice, dissipate suspicion and enable a sound and reasonable conclusion to be reached than to have men from all sections of our country meeting together for the purpose of freely discussing issues which are of vital importance, not only to our commercial interests, but to the country as a whole.

The present occasion is eminently opportune for a conference of this kind. There are grave questions to be discussed between members representing the Government of this country and those representing the Imperial Government and the Governments of other great dependencies of the Empire. The matters which are to be discussed at that Imperial Conference have to some extent formed the subject of debate in Parliament, and it is eminently fitting that at this juncture they should be also debated by men who, although possibly not engaged in active public life, are leaders in the commercial life of this country and in close touch with every business interest which may be affected by the result of that Conference.

I sincerely trust that the result of your deliberations may materially assist the Canadian delegates to the Conference and may prove of use in its deliberations.

With thanks for the very kind invitation of your Board of Trade, and with renewed regrets that I am unable to be present, I remain, dear Mr. Ames,

Yours faithfully,

R. L. BORDEN.

CANADIAN COPYRIGHT

D. E. THOMSON, K.C., Toronto Board of Trade—This resolution was to have been moved by another gentleman, who unfortunately is not able to be present, and I was asked to second it; but in view of several considerations, and particularly in

consideration of the limited time at the disposal of the Conference, it has been decided to substitute another and simpler resolution for that which you find printed in the programme before you. The resolution as now amended confines itself strictly to the one point, namely our right in Canada to make our own laws on the subject of Copyright. I want to say that the resolution originally framed by the Board of Trade went practically no further, but it introduced some matter about which there might be controversy. There are several reasons why, I think it is wise, especially at this stage, to confine ourselves to the one point. The questions of who shall make the laws, and what those laws shall be when made are two separate matters, and mixing them together leads to confusion to begin with. In the next place it seems to me rather idle for us here to discuss what laws should be passed by our Parliament while the English authorities are practically denying our right whatever to pass any laws on the subject. In the third place, as already intimated in my opening, the fact that there are still some important matters to be disposed of, and our time is limited, is an additional reason why we should avoid controversial points. I will not refer at any length to what these points are, except to point out, that like most other subjects, this matter affects different classes of people, and different interests, and these interests would have to be regarded by whatever body proposed to legislate on the subject. The interest of the publisher is not always the same as the interest of the author, and the interest of the reader may be different from either of those. Whatever body legislates on this subject must fairly and honestly give thought and attention and consideration to all views and all standpoints, but the position of matters with reference to our right to legislate, as I understand it, speaking in the rough, is this: The subject of copyright is one of the subjects enumerated in the British North America Act as coming within the exclusive jurisdiction of the Dominion Parliament, and under this clause it has always been contended that we have the same powers to legislate on that subject as we have on any other that is enumerated in that Act, that is to say, that our action is not open to Imperial veto, except on the same principle and subject to the same limitations and restrictions as any other legislation passed. The law officers of the Crown in England have apparently taken a different view, and they contend that, so far as copyright is concerned, there must be a restricted meaning, one ground of that contention being, as I understand it, that since 1842, before Confederation, there was Imperial legislation which affected the Colonies, under which anyone getting a copyright in England had a copyright in the Colonies also. It has come to pass in the course of time that there is an international compact, known as the Berne compact or treaty, to which most European countries are parties. The United States is not a party to that treaty, but there is a separate understanding, not exactly a treaty, between the United States and England, and under the terms of that arrangement between the United States and England, the American copyright depends on publication in the United States. The book must be set up, printed, published and bound in the United States. England on the other hand is more generous, and all that is required of an American publication to get copyright in England is that a half a dozen copies be deposited in Stationers' Hall. A good many people feel here that we should have somewhat similar law to that in the United States, but that is a matter open to controversy, at any rate it is not covered by this resolution. I think it is quite enough at this stage while our right to legislate is being denied us, that we should first and foremost insist on that right, and when that is settled it will be time enough to look into other matters. It does not follow that we must adopt the American principle; all that is a matter for subsequent consideration. I think in the shape in which it is now introduced by this resolution we can all agree, and if any gentlemen desire to follow the matter up I would ask them to look up the paper prepared by Sir John Thompson during the last year of his life, on this subject, and I want to say that Sir John Thompson was one of the most eminent jurists who ever gave his services to this country, and the paper I refer to is one of the ablest State papers that are to be found in the English tongue and it sticks directly to this point, and insists that we must have the same right to legislate on this subject as we have on

other subjects, without which we are not really accorded self government. I need not elaborate that point, but there are a great many common sentiments that actuate our minds and hearts, but I think you will find it is forever true when it comes to matters of government there is no other sentiment, with the Anglo Saxon race, and I think I may say with the French race equally, that will be allowed to dominate this civilization than that we must be allowed to manage our own affairs, and legislation must be made by ourselves, and that lesson which England learned as a bitter experience largely from the American revolt, is the secret largely of her success in colonial affairs, and it is only commonplace to say that in refusing the right to legislate on such an important subject as copyright, it is introducing a piece of the old Colonial system in its most offensive form. I do not think it is a matter for declamation here, although it is a subject that easily lends itself to that purpose. It is quite unnecessary. I think the present condition of things is intolerable, and I think that we should stick straight to that point. The right to govern ourselves includes the right to mis-govern ourselves, and there is a sense in which it is better to pass that law for ourselves than for England to pass a good law for us. The resolution I wish to move is:

That this Conference respectfully but strongly urges the Premier of this Dominion and his colleagues to take up with the law officers of the Crown of England, the right of Canada to make its own laws on the subject of Copyright, with its rights as a self-governing colony are incomplete.

MR. J. D. ALLAN, Toronto—The very clear manner in which the mover of this resolution has placed the various points before you makes it quite unnecessary for me to take up the time of this Conference, but let us do what he has said. The one principle that seems to have dominated all the subjects we have had discussed has been Canada first. I take it that this is an exemplification, as we have all been talking of our desire. Without further remarks I will cheerfully second the resolution.

MR. GEORGE ROBERTSON, St. John—I feel with the knowledge that I have of this question, and I do not say it is very extensive, constrained to oppose this motion, and I hope this Convention, unless they know a great deal more about it than I do, will take this position. To my mind it is turning back the hands of the clock. Surely we are going to protect the authors of this country, and as I understand it, the copyrights we are participating in and working under in the Dominion of Canada to-day give a Canadian author the right to have justice done him in not only any part of the Empire, but in many other countries in Europe and in the United States as well. Allow me to read a few words from a *Toronto Globe*: "The subject of copyright to be discussed by the Boards of Trade resolutions involves two questions and the confusion sometimes results from not separating them; one is whether the Canadian Parliament ought to have full power to legislate, and the other is the sort of legislation it ought to enact when that power is obtained. As to the former point there would be no difference of opinion."

MR. THOMSON—That is the only point covered by this resolution.

MR. ROBERTSON—You have that here already.

MR. THOMSON—No, sir.

MR. ROBERTSON—I venture to prophesy that the Canadian Government won't touch that resolution with a ten foot pole, they won't interfere with the justice that the authors of Canada can get under the present copyright. I was at a meeting of the Chambers of Commerce in London, and the resolution was carried there unanimously; it was seconded by one of those grand minds of New Zealand, broad as the globe, and round as the globe, who believes that brains should be protected in all parts of the world. I do not desire to insinuate at all, but it struck me as being somewhat remarkable that here in the printed programme we have a resolution with a number of "Whereas's", and without it ever having been discussed all these are eliminated, and the matter is brought down to this single question as to whether the Canadian Parliament has power to know that the powers of the Canadian Parliament are unlimited. Now, what object you have

in view when you ask this Convention to endorse this resolution. I am not going to say any more. I have a letter here addressed to the President of the St. John Board of Trade sent by a gentleman, who I believe is a responsible gentleman, Mr. Walter Barwick, of the city of Toronto. If you will permit me, it will take probably three or four minutes, I would like to have the privilege of reading it to the Convention.

MR. J. D. ALLAN—I think copies have been sent to all delegates.

MR. ROBERTSON—It is not my own statement but that of a responsible gentleman of this city.

PRESIDENT AMES—Mr. Allan says copies have been sent to the delegates, and as your time is just about expiring, I think it would be well not to take up the time of the Conference in reading the letter.

MR. ROBERTSON—I hope this Convention will think very seriously indeed before they pass the resolution which is before us.

MR. HEATON, Goderich—I came here intending to object to the resolution that appears on the paper, because I represent some six or seven prominent English publishers, but I can find no fault with the resolution now before the House. I think the last speaker was under some misapprehension. Mr. Thomson has substituted another resolution for that in the printed programme, and I do not think there is any room for discussion in his resolution. It simply affirms the right of Canada to make laws for itself on this subject. I understand there has been some discussion as to the right of Canada to make its own laws, and that right is disputed by the law officers of the Crown. I therefore, on behalf of the publishers, will not make any objection, and will certainly vote for this motion.

MR. HATHEWAY, St. John—I came here also with the idea of speaking against the resolution in the printed programme, but when I saw the amendment in that form I felt it was only right to have the amendment carried if possible unanimously. If we have not the power the amendment will perhaps, if adopted, give us that power. The amendment cannot do any harm.

MR. R. O. SMITH, Orillia Board of Trade—I am quite well aware that there is a very wide divergence of opinion upon the question of copyright. I know for years it had been discussed by the wholesale booksellers and by the Dominion Board of Trade. The cause of this is that the interest of the publisher of Canada is entirely different from that of the authors, the binders and printers have a different idea on the subject of copyrights. It has been discussed in the papers and in the Boards of Trade for years, and these different boards have not yet come to a conclusion as to what is best. Each party is fighting for their own interests, and it is a question that affects so many different trades that at a Conference of this kind it would require hours to get intelligent information on the subject of copyright. I am quite sure that Mr. Thomson will agree with me that hours and hours have been spent by the wholesale booksellers of Toronto especially, but when the question of the author comes up we find it is a very difficult problem. The brains of the author of this country should be protected as well as the interests of the bookseller. (Hear, hear). Therefore I think it would not be wise in a small Assembly of this kind, without good information, to discuss the points of controversy. If I were fully satisfied that there was no law on this subject I would be quite prepared to pass this resolution, but I think we should be very careful in coming to a conclusion upon so important a question when the other bodies who have given a great deal of time in discussing it have not come to a decision upon it.

MR. PERRAULT, Gaspe—Surely the honorable gentleman does not discuss the possibility of our Government being able to give justice to the authors and to everybody else. Are we reduced to that state of mental incapacity that we have to go to the other side of the Atlantic to get proper legislation on this subject? Surely we have pride enough, and are able enough, patriotic enough, to do fair justice to everybody, publisher and author. This resolution simply affirms that we have the right to pass legislation of that sort.

MR. D. E. THOMSON, K.C., Toronto—Before the vote is taken I would like to say a word so as to remove a misapprehension on this subject. Mr. Robertson is in error as to the extent of this resolution. It confines itself simply and purely to the question of who is to make the laws; it is the question of whether we in Canada have confidence in ourselves, or whether we prefer that England is to legislate for us. I take my position exactly where Sir John Thompson took it in the State paper that is referred to. On this very point Mr. Smith mentions, he ends up the paragraph by saying—he refers to the fact that it has been said in England that the Canadian authors was a matter of the future rather than the present—“Without accepting that statement as accurate, it may at least be said that the Canadian Parliament may be trusted to take care of the interests of Canadian authors.” (Hear, hear). Is there a man in this Conference who is not prepared to accept that? This is simply and purely a question of whether we believe we are competent to make our own laws on this subject, and to consider all the interests, including those of the publisher and the author. There has been reference made to the recital being withdrawn, and this motion substituted; I accept the responsibility for that change. As a matter of fact, although I was asked to second this resolution, I had not seen it until after it was printed. I did not think then, that even if there had been time to discuss that, it was prudent to discuss anything which would lead to controversy over the terms of the law while our right to make any law at all was being denied, and I have moved this thinking it was a ground upon which we would unite and as far as it was prudent for us to go, and as far as it was necessary for us to go. Our right to legislate is denied up to this hour, and has been fought so far as Canada is concerned, persistently since 1842 when the legislation was passed; and the same ground Sir John Thompson took, Sir James Edgar, afterwards speaker in the House of Commons, in the press and in public, also advocated, and it was followed by the Hon. David Mills, when he was Minister of Justice. We in Canada want to plant ourselves right in the footsteps of Sir John Thompson, and say the first consideration is, who has the right to make this law. All I ask is, “Have we confidence in the Canadian Parliament to legislate on that subject.” I say we have.

The resolution was carried unanimously.

MINERAL RESOURCES OF CANADA.

MR. JOHN MCKAY, Sault Ste. Marie—As the time at the disposal of the Congress was so exceedingly short, and after consulting with some of the representatives from Port Arthur, British Columbia and other points in Canada, we have changed the original printed resolution, I beg to submit the following, which I trust will not be debatable, but will receive the unanimous support of this Congress:

Whereas Canada contains vast and varied mineral resources equal to the United States,
And whereas the rapid and successful development thereof is of paramount interest to Canada, as it would bring thousands of men and millions of capital, and would create an excellent market for the products of the farm and factory.

Resolved: That this Conference respectfully submits that the usual Government subsidies, both from the Dominion and from the respective Provinces, should be granted to all mineral colonization railways.

Throughout the Dominion of Canada, in the Yukon Territory, British Columbia, Northern Ontario, New Brunswick, Nova Scotia, Cape Breton and Quebec, there are vast and varied mineral resources. In Northern Ontario—a portion of the Dominion which is four times the size of Old Ontario, about three times the size of the Maritime Provinces, about twice the size of Manitoba—we have undoubted rich nickel, iron and copper mines that are producing large quantities of their respective ores. In addition to our mineral resources there, we have some 16,000,000 acres of arable lands north of the height of land; we have large timber resources as well; so that in the building of mineral colonization railways, not only are the mineral resources developed, but also the timber and agricultural resources.

On behalf of Sault Ste. Marie I wish to express very gratefully the appreciation of the Sault Ste. Marie Board of Trade to so many of the Boards of Trade of this

Dominion who ably urged and assisted us in obtaining subsidies for the Algoma Central Railway, both from the Province and the Dominion, and the reason I mention that is that our contention in the west and in the north has been that a colonization is an entirely different proposition from building a through railway in competition with some existing railway; a colonization railway creates business for the existing railways, it creates business for all the interests of Canada. The subsidy which the Dominion granted to that railway in order to pay the interest on it amounts to only some twenty or thirty thousand dollars a year. We pay annually five or six hundred thousand dollars in mail subsidies. What has been the result so far as Canadian trade is concerned? In 1898 the custom receipts at Sault Ste. Marie were only forty-five thousand dollars; last year they were \$369,000, and this year they will exceed \$450,000, and this has resulted from a subsidy which cost this Dominion \$20,000 a year. We have obtained from outside of Canada an investment of at least \$20,000,000, and the Dominion is receiving, as a direct result of the development in that section, \$450,000. I will venture the statement that any mineral colonization railway constructed in that northern country will pay in duty on soft coal amply sufficient to pay the interest on the money to pay the usual subsidy. Secondly, we submit that this is the sure way to build up Canada. We have a pulp mill erected at Sault Ste. Marie, and the result of that has been to induce American and English capitalists to invest their money in similar enterprises at various points throughout northern Ontario and also in Quebec. The magnificent success of this enterprise in Northern Ontario is drawing the attention of Canadian and English and American Capitalists to similar enterprises throughout this Dominion. From Winnipeg to Labrador we have a country somewhat similar to what I have described. With an immense amount of capital the timber and mineral resources can be developed successfully. One of the reasons why this resolution has been brought forward is that although the Dominion appropriated last session for an expenditure of some \$50,000,000, there was not one cent appropriated for the construction of colonization railways. I have much pleasure in moving this resolution, and I trust it will have the unanimous support of this Convention.

MR. BURKE, Port Arthur—It affords me very much pleasure to second this resolution. The reason, as I understand, that this resolution is brought before this Conference is this; that while we from the wild and woolly west are explorers and exploiters we look upon you as being more or less the advocates of the manufacturing industries of the Dominion of Canada. Hitherto when we have come east, as we do almost every year, we have received a warm welcome, we have been patted on the back and told to go ahead and you would stand by us. You know as well as we do that if Canada is going to be developed we must have more railways out through the west. You may think we have lots of railways as it is. But although we have many thousands of miles of railways, have the Canadian Pacific Railway running through the western part of Canada, there are many places along that line of railway now, where a free grant homestead cannot be obtained within twenty miles of the Canadian Pacific Railway. We desire to see the manufacturing industries of Canada increased, we desire to see an immense number of farmers and mining men locate in Northern Ontario, and we think you will agree with us it would be well for this Board, representing the public opinion of Canada, to pass some resolution which would show the different parliaments of Canada that you are in favor, I might say, of expansion, and of the extending of our railway system. You may say in looking over this resolution that there is an idea expressed in it that we might get too many railways. We have endeavored to guard against that matter, and we said colonization mineral railways. A colonization railway is a railway run out into what have been wild lands, and when one colonization railroad has been built through a section it is not at all necessary to have another railway run alongside that other for colonization purposes, one fills the bill.

MR. M. C. ELLIS, Toronto Board of Trade—I would like to say a word with reference to the resolution before us. Whilst the general spirit is one which commends itself to the delegates of this Conference I think some of the statements made therein are a little extravagant to go forth from this Conference of business

men, and whilst I do not wish to suggest an alteration in the tenor of the resolution, I would like to see an alteration in the sentence, "Canada contains vast and varied mineral resources"—That we all agree to, but I do not like the words, "equal to those of the United States."

MR. MCKAY, Sault Ste. Marie—Strike that phrase out.

MR. ELLIS, Toronto—"Rapid and successful development thereof is of *paramount* interest to Canada."—I think that might be a debatable point. I would say *substantial* interest to Canada. Then I think the sentence, "It would bring to the Dominion thousands of men and millions of capital, and would create an excellent market for the farm and factory," seems to be correct as a general statement, but it is a little extravagant. Then instead of the words, "All mineral colonization railways," I would say, "whenever the mineral resources are of sufficient importance to warrant the usual subsidies within reasonable limits, with these alterations I will be very pleased to vote for the resolution, and I think it would carry just as much weight and at the same time would not be loaded up with statements which are of a controversial character, and might be deemed a little extravagant for a business body to pass.

MAYOR DYKE, Fort William—I would like to speak a word in reference to this resolution. I do not know that I am in hearty accord with the speaker who has just sat down. I believe that the statements in this resolution are in the most part borne out by the facts of our country, and I do not know that it is a good policy for us to tear down anything that will call attention to our resources as to their size, their varied character or their comparison with the United States or any other nation. I think the time has come in the history of the development of our country when we do not know it best need not be afraid to assert that our mineral resources are what they are, and that their development, which this resolution looks forward to, would bring into our country a great deal of capital and a great many jobs. What are the facts now? Capitalists of the United States, both manufacturers and particularly explorers and developers of mines, are looking to our country. I know it is the case in the section of the country that I represent; and I believe this resolution should commend itself to the judgment of the gentlemen here, and that it should pass as it is. However, if it is going to jeopardize the resolution at all, I would be willing to accept some of the suggestions of the last speaker. I do not think we should mutilate it, and merely say we have these mineral resources, it would be a good thing to develop them, and ask this should be done as soon as possible. I think the resolution does not go beyond the mark in its statements of what our resources are, or what they are in comparison with those of the United States. We have very much larger resources than those who have not studied the question imagine. I have pleasure in supporting the resolution.

MR. MCKAY, of Sault Ste. Marie—At the suggestion of Mr. Ellis, and with the consent of my seconder, I beg to amend the resolution to read as follows:

Whereas Canada contains vast and varied mineral resources, and whereas the rapid and successful development thereof is of substantial interest to Canada, as it would create an excellent market for the product of the farm and factory.

Resolved: That this Conference would respectfully submit that the usual Government subsidies both from the Dominion and respective Provinces should be granted to all approved mineral colonization railways.

The resolution was carried as altered by Mr. McKay.

TRADE RELATIONS BETWEEN THE COLONIES.

MR. CATELLO, La Chambre de Commerce, Montreal—As matters now stand Canada has no right to make what we call a treaty without the consent of the British Government. I think matters should be so readjusted as to give Canada and the other Colonies a right to make treaties between themselves, with the approval of the English Government. I am sure we could do a great deal of trade

with the Colonies, and I am sure we would rather trade with them. Therefore I beg to move this resolution :

Whereas the Empire must benefit by a more extensive trade on the part of the Colonies, and the Colonies themselves must derive advantages and compensation by promoting closer relations between them,

Be it resolved: That this Conference is fully confident that the Imperial Government will favor any preferential treaty which the Colonies may be disposed to make between themselves.

MR. PERRAULT, Gaspé—The object of this resolution is to permit us to make arrangements with other Colonies which will be mutually advantageous in matters of trade. How far the Imperial Government will allow this is of course debatable. I do not think that under our present constitution it can be carried out. I know that England always wants to have all the advantages that are granted to other people, and if a Colony gives an advantage to Canada in its market, England will expect to have the same advantage for herself. That is the general principle the Imperial Government goes by, still as the resolution was proposed by the Chambre de Commerce of Montreal I thought it my duty to put the case plainly before the Conference for discussion. I second the resolution.

MR. C. B. WATTS, Toronto—It strikes me, in view of what we have already done in the last three days and in view of the fact that I think we have already certain arrangements made with some of the Colonies with regard to interchange of trade, that this proposal is really superfluous; and more than that there is a very decided objection to it, which I think what has been said here this afternoon emphasizes, that if we adopt this resolution in the way it is worded we are casting a doubt on our own rights to conclude business arrangements with the other Colonies, and I think that is a right which all acknowledge we possess to-day. I think the way the resolution is worded it is a resolution that this Conference could not support. I would suggest that the mover and seconder would see their way clear to withdraw it.

MR. CATELLO, Montreal—As I understand it, when we allow Australia or any other Colony a cheaper rate of duty coming to Canada we must give the same preference to every other privileged nation, but what we want is to make an arrangement with the Colonies whereby we can keep the benefits among ourselves.

MR. WATTS—We have that right now.

MR. CATELLO—We have not the right to make a favored nation clause.

MR. WATTS—Your resolution refers entirely to the Colonies, and we have the right already; we have not a right to make a treaty with foreign nations.

MR. CATELLO—If we have the right, that is a different thing.

MR. DONNELLY, Kingston—That is the point I was going to call the attention of the Conference to. I do not wish it to be thought that I am obstructing this resolution in any way, but I submit from what Mr. Watts has said that this is not a resolution, worded as it is, that we can very properly pass. This resolution resolves that this Conference is fully confident that the Imperial Government will do so and so. I submit, with all due respect, that this Conference might urge the Imperial Government to do certain things, but we cannot pass a resolution that we are positive the Imperial Government will favor it.

MR. McFEE, Montreal—I was under the impression that we had ample powers to make trade arrangements with other Colonies, and if we had not this power I would suggest a resolution in this form: That this Conference desires that the Imperial Government shall give to the Colonies the right to enter into preferential trade relations with each other.

PRESIDENT AMES—May I be allowed to suggest that as there appears to be some doubt as to the question of fact it would be unwise for us to act in this matter. Another point I would make is this; is it conceivable at this juncture that the Colonies should make an agreement for a preferential arrangement among themselves and that the Old Country would disallow it? If that case is not conceivable

my question is whether the motion is not really superfluous and whether it is not better to withdraw it.

MR. CATELLO—If we have the right, all right; I was always under the impression that we had no right.

The resolution was withdrawn.

RAILWAY COMMISSION

MR. HUGH BLAIN, Toronto Board of Trade—In the absence of Mr. Gurney it becomes my pleasant duty to move this resolution. I think there is sufficient justification for this resolution in any body of merchants considering trade questions because of the amount of dissatisfaction and discontent which exists with the railway management. There is, of course, a wide difference between the views of the Railway Companies and the people, and either the Railway Companies are unreasonable in the treatment of the public or else the public are unreasonable in their demands of the Railway Companies. I am inclined, sir, to think that both of these conditions exist, and I think there is ample room between these two opposing opinions and interests for the establishment of an independent tribunal that will bring these opposing interests more closely into harmony with each other. In Canada as in all other countries in the early history of railway enterprises it had generally been believed that competition would regulate railway business and keep freights down to reasonable figures. This has been found to be incorrect. The Railway Companies have discovered that competition is not in their best interests and the system of leasing lines, of pooling receipts, of amalgamating companies, and of combining to keep up rates had become the settled policy of the Railway Companies. We all know that where a combination exists to keep up rates competition becomes impossible, except perhaps the competition to give a good service, and that is a form of competition which I do not at all undervalue, but competition in all other respects seems to have become a matter of the past. Then, sir, the next form in which people look for protection in this respect is Government ownership. Government ownership of railways has become a popular policy, but I am inclined to think, sir, that in a body of level headed business men such as compose this Conference the question of Government ownership of railways would be received with a great deal of doubt and hesitation. Unfortunately our experience up to this time in Government ownership has not been a happy one. I am inclined to think that many years have to pass by before the position of this young Dominion of ours will warrant the State taking over and managing our railway business. We may, therefore, dismiss the question for the present of Government ownership. Then the question arises as to Government regulation and control. Wisely in the British North American Act and also in the subsequent Act by the Dominion House the Government of Canada took the regulation and control into their hands; they have now delegated that authority to the Railway Committee of the Privy Council, and I have no doubt that the Railway Committee of the Privy Council has the power within certain limitations of regulating and controlling the railway traffic of this country. But, sir, the question arises, do they exercise that right? No doubt the Railway Committee of the Privy Council has been of service to the people of this country, yet on the whole I think it must be admitted that it has been a failure, and I think reasonably so; I think the duties of the Minister of Railways—because the Railway Committee of the Privy Council after all must be reduced to the Minister of Railways—do not allow him time to give these questions the consideration they require. I am also, sir, desirous of pointing out that the conditions existing and surrounding the Minister of Railways are not in favor of the public. The public have no real permanent status before the Railway Committee, and if the Minister of Railways occupies, as I believe he is considered to occupy, a judicial position, he has to decide between these two parties. The great public is not represented except in a case of some individual who, during the consideration and discussion of the special grievance of his own, may be there in the interests of the general public as well. The general public is not permanently and properly represented before that Rail-

way Committee of the Privy Council. On the other hand the railway companies have a permanent organization, they have a management that is continuous in its character, they have their best talent continually in touch with the Railway Department, and they are aggressive, and have obtained privilege after privilege in connection with their business in Ottawa, that the public know nothing whatever about. I had occasion about two years ago, when I took up the question of an owner's risk, to visit Ottawa several times, and I had an opportunity of discussing the matter with the Minister of Railways, and I did not hesitate to point out that his whole department, from beginning to end, had been trained in a railway atmosphere, had been surrounded by railway influence, that they were permeated through with railway interests and railway opinions, and while I admit the Minister may have his own independent opinion and exercise it to the advantage of the people of this country, yet, sir, the Minister is bound to look to his department for his advice and information, and how is it possible under these conditions for a Minister to get that independent information and advice which we think he should be possessed of? I therefore think, sir, we can easily make out a case that the public is not properly represented before the Railway Committee, and the only remedy I can see for this is the establishment of an independent Railway Commission, a commission that will be composed of men capable and thoroughly honest in the discharge of their duties. I trust I need not go into the details of the grievances under which the merchants of this country suffer. That would be too great a question to discuss in the limits at my disposal, but we do know that the merchants and manufacturers of this country are not treated with the fairness and justice they are entitled to. I have, sir, from the very nature and character of my business, which Mr. Hatheway will tell you depends for its very existence upon the railway rates, I have been working on this question for 25 years, struggling with the railway companies to get the trade and commerce of our city put upon a proper basis, and I have an intimate knowledge of these railway companies, and I say now deliberately on the floor of this House that in my opinion this railway transportation question is the largest and most important and most difficult problem that there is to-day before the people of Canada. Believing that to be the case, I think it is a fit and proper subject for us to pronounce upon. Not only should the rate question be regulated by some independent body, but there are other questions; there is, for example, the question of passengers; there is also the question of crossings the question of safety appliances, and other important questions that I think should be subject to regulation, the issue of stock and bonding indebtedness. I had occasion when President of the Board of Trade to look into this question, and I did so pretty carefully. I took the Grand Trunk Railway as my special railway, and I found that the district of Toronto was the only paying district in the whole Grand Trunk Railway system, that we were paying in this district not only deficits created by this railway company in the United States, but were expected also to pay a handsome dividend upon this capital, and in locking up the capital I found that the capitalization of the Grand Trunk Railway was \$105,000 a mile; and I ask you, gentlemen, whether the people of this country can be expected to pay taxes to the extent of paying interest upon a capitalization of that kind. \$40,000 or \$50,000 a mile is estimated to be a sufficient sum to build and properly equip a modern railway, and yet, sir, we are expected to pay interest upon a capitalization—largely composed of water—of this enormous sum. If it were not so late in the session of this Conference, and if our time were not so short, I would like to go further into this question, because it has been a hobby of mine for a great many years, but with these remarks I beg to move the adoption of the Toronto Board's resolution:

Resolved: That this Conference desires to place itself on record as holding the opinion that a properly constituted Railway Commission should be created, with power necessary to deal with any questions affecting the relations of all common carriers to the people.

Mr. THOM, Montreal—I do not think it is necessary to enlarge very much on what Mr. Blain has said. He seems to have covered the ground so fully that he has left me but very little to add. Like himself I have had a great deal of experience in transportation matters, and I have learned to my cost the iniquity of the getting

together of the railway companies. I have found many instances where traffic has been brought past my door and sent on to other ports—I am speaking as a steamship man—and naturally I have objected to seeing trade going past my door. There cannot be any doubt of the desirability of having some commission that would regulate the rates throughout Canada. If my memory serves me right, before the establishment of the C.P.R. through Ontario I think we had fair rates from the Grand Trunk, but after the opening of the C.P.R. wherever those roads competed or crossed the rates were advanced. They seem to have got together afterwards and advanced rates all through Ontario. So far as Manitoba is concerned, perhaps some of the gentlemen from there can give us their views on the matter, but I have not felt they have been rightly treated. I may go further, I do not think either of our railway companies have been loyal to Canada; I feel they have sent trade to the American ports that should have gone to Canadian ports. Consequently I feel the desirability if it is at all possible, of having some commission that can regulate the rates of freight throughout Ontario and Canada. I second the resolution.

MR. F. H. HAYHURST, Galt—We have spent a great deal on our railways in Canada. We have, in round numbers, subsidized railways in Canada to the extent of \$228,000,000, but, unfortunately, in subsidizing those railways—railways which in their inception were calculated to be a benefit to this country—we have, to quite an extent, created for ourselves a master that seems to have no regard for the people for whom the railways were created. We have very largely here to-day a company of manufacturers, merchants, transporters, but after all where the shoe pinches the hardest is at the foundation of trade; there is no class of men to-day who are suffering so much as the farming community in this Province on account of unjust discrimination. The farmer has to compete against the markets of the world, and the discrimination he has to submit to is a very important factor in deciding whether or not he is prosperous. I care not what legislation we have, unless the farmers of Canada are prosperous the whole community will not be prosperous. How essential, therefore, is it that the farmers should not be discriminated against, but that they should have opportunity not only to work out their own salvation but the prosperity of this country. I have much pleasure in supporting this resolution.

The resolution was carried.

SHIPBUILDING IN CANADA.

MR. THOMAS DONNELLY, Kingston—I submit there is no question that has come before this Conference since it opened its deliberations that is of more importance to the people of Canada than the one we have arrived at. Our resolutions from Kingston have been so successful that I hope the Conference will adopt this unanimously without very much discussion. Nearly all the large questions passed by this House are related to this matter of cheapening transportation and assisting shipbuilding interests; the mail service, imports and exports, fast steamship service—they all come down to be interested in this question. Governments past and present have done a great deal for transportation routes between the great lakes and the seaboard; they have done a great deal for water transportation routes, there is nothing in this resolution but praise for what they have done, and all we ask in this resolution is that they continue the good work, Governments like to know whether the people of this country are in favor of the large questions of this kind that are continually coming before us, and this will show to the Government of this country, which is doing so much for the transportation routes, that we are in favor of them continuing in the future what they have so ably done in the past. The Government of this country built the Soo Canal, the Welland Canal, the St. Lawrence Canals, and they are all very fine indeed, but I submit that the gentlemen in the West who have given us so much of their attention here are very much interested in this question at the present time, for the reason that the C.P.R. brings this grain down to Port Arthur and Fort William, and although they have a line continuing to the Soo yet I think it goes without saying that it is much cheaper for even them to

carry their grain by short water route to Georgian Bay or some other portion, so that they will there connect with a shorter line to Montreal. That question has lately come up in connection with improvements from North Bay, and it goes without saying that even to that road this matter is of very great importance. Then the Canadian Northern brings its grain to Port Arthur and puts it into an elevator. They have no connection further eastward, and must depend for some considerable time to come on the transportation route by water over at least part of the journey to the sea-coast; and the Canada Atlantia Railway must receive a supply from the western water transportation route to keep that railway route engaged in transporting the commerce of our great west to the sea, so you see that the western men are very much interested in this, and we as Canadians are very much interested indeed, especially down in the district I come from I grant you, although Montreal, Quebec, Halifax, St. John and other places in the east are very much interested in this question of cheap transportation. It is a well known fact that last year a very wealthy corporation in the U. S. put on a line of steamships to run between the western depots from the head of Lake Superior, Lake Michigan to cross the salt water to Great Britain. I had the honor to be quoted very often in the press with regard to this matter when it was in its infancy, I submitted then that never would there be a time in the history of the St. Lawrence river when grain would be carried from Lake Superior or Lake Michigan ports across to Great Britain; that it would never pay, that the conditions were against it, and it would never be a successful undertaking. I am sorry to say that after this company losing a great deal of money, after getting their ships knocked up very badly, so that underwriters refused to take them any further, they have come back to what is the proper way of transporting the grain, namely, by the railroads or the lake carriers and then by the large steamships across the Atlantic, because it was very plain to anyone interested in this question that the steamships crossing the Atlantic carrying 15,000 to 18,000 tons had the largest end of the journey to carry the grain, and consequently the smaller ones could not compete with them. Our Canadian marine is very much hampered indeed with regard to coasting privileges, we only have our own, and the United States will not give us any of theirs, and, consequently, the latter part of my resolution asks that we give our cordial support to Government assistance to the shipbuilding industries of this country, believing such help is much needed, and would be of benefit to the country at large. We all know in Canada—and we are proud of it—that we now have our coal, our own steel industries, and in a very short time we will be able to compete with the Motherland in building steamships. This question has come before the Dominion Government and it is now having their consideration. I do not in this resolution say in what way this is to be granted; I leave that to the Dominion Government to handle it themselves. Then, gentlemen, if you want to buy a coat and bring it into Canada you have to pay duty on it, and the same with respect to a buggy, but you can buy all the ships you like and bring them into Canada, and the Dominion Government cannot collect a cent's duty on them. That is a broad statement to make when there is a clause in the Customs tariff, but we all know that under the recent decision of Judge Burbidge that which I have stated is the fact. It is twenty years ago since the late Honorable George Kirkpatrick came to me to ask me how it would be possible, and what steps he would have to take to bring in a large steamship worth \$250,000 that was built in Bay City, Michigan. I told Mr. Kirkpatrick then, "There is no law that will make you pay anything." He said, "I am a Member of Parliament, and I take issue." I said, "You can bring in all the boats you like." Why? Because they did not ask for Canadian register, they asked for British register; we have no such thing as registered shipping in Canada; consequently that ship was brought in without any duty. I brought in a ship myself; the Richelieu Navigation Company brought in two of their largest steamers, the Columbia and Carolina, and never paid a cent of duty, and since that there have been a large number of ships brought in. It is a bad state of affairs when you can bring in ships free of duty when we build them in this country, and build them just as well as they can in the country to the south of us. A man can purchase a ship in the United States,

and take it down to Newfoundland, and go to the Customs official there and say, "I want under the free trade rules of Great Britain free entry of my ship that was built in the United States to an Imperial port," and under the free trade rules of Great Britain the boat is turned over in one half-hour, and that boat comes out of St. John's, Newfoundland—an English ship, with the English flag flying over her, and she comes right up to the inland waters of Canada, and says, "I want all the rights and privileges of a British ship in Colonial waters." I beg to move this resolution :

That this Conference of Boards of Trade of the Dominion believes that in the interests of the whole Dominion, and to lessen the cost of transportation between the Great Lakes and the seaboard, the canals between Montreal and Lake Erie, and the channel between Montreal and the seaboard, should be deepened, and we would urge the Government to continue their work without delay; and would also give our cordial support to Government assistance to the shipbuilding industries of this country, believing that such help is much needed, and would be of benefit to the country at large.

MR. GASKIN, Kingston—In seconding this resolution I would say it refers to the enlargement of the canals. Boats that come through the canals at the present time have a capacity of about 65,000 bushels; the boats that go to Buffalo carry 225,000. I claim if the canals are enlarged so as to allow the boats that carry 225,000 bushels to go down that the time has arrived when we can carry grain from Fort William to Montreal for 2½ cents a bushel. We have been talking here two or three days as to railroad and steamship transportation. I wish to say here there are two ways of carrying the commerce of this country, one by boat and one by railway. If you assist one you should assist the other. The money the Government expends belongs to the people, the boat owners are part of those people. I think it is unfair to go to work and give the money of the boat owners to the railroads to kill the boat owners. The Government gives a bonus to the railroads and as a rule the municipalities give bonuses, and the result is that the promoters have the road for nothing. If the Government goes to work and does what is suggested in this resolution and enlarges the canals, so that we can bring stuff from Fort William to Montreal at two and a half cents a bushel it would be of great advantage.

MR. THOMPSON, North Sydney—I think this shipbuilding question is too large for the Government to grapple with. It is a subject that is engaging the attention of the maritime nations, and in order to grapple with it successfully they have appointed commissions to take evidence and make recommendations; and I would suggest in connection with this resolution that this Board appoint a Committee, or ask the Government to appoint a Commission to look into this matter. A large shipbuilder at Newcastle wrote to me and asked me to press the matter at Ottawa. He was prepared to invest a quarter of a million in shipbuilding in Canada, but the Hanna Shipping Bill being before Congress I thought it was not wise to take it up at that time. We want to know how much bounty we require to build ships and successfully compete with English and German builders.

MR. McFEE, Montreal—I do not wish to prolong the discussion here to-day, but we have in one resolution two very important subjects. We have shipbuilding and the deepening of our waterways, I think it would be advisable to make two resolutions instead of one. In regard to the deepening of the canals I think we are suffering more to-day from the fact that the largest lake carriers on the upper lakes are unable to reach Kingston; the Welland Canal is too small and the locks are too short to admit the large upper lakes boats to pass through, and in order to compete it is necessary that these larger sized boats should pass down into Lake Ontario. I understand vessels are now being built at Collingwood that cannot pass down the Welland Canal, and the Welland Canal to be of any advantage to us at the present time to admit of these large carriers would require to be deepened and enlarged, I mean by enlargement, widened and the locks lengthened. I do not think we will derive very much benefit from the Welland Canal unless this is done.

MR. DONNELLY, Kingston—I will put that in a special resolution if Mr. McFEE wishes: I did not wish to burden the Government with too much matter.

MR. McFEE—We sent a petition to the Government within the last two

months dealing very fully with shipbuilding in Canada. We went to the extent of recommending that a bonus of two dollars a ton per annum for five years be granted to vessels that are built in Canada, and we thought a recommendation of that kind would have some weight with the Government. I may say we are pretty much in line with the Marine Association's request—they ask for a subsidy a little different from ours, but I think in the main they will arrive at about the same result; in other words, the Marine Association has the support of the Montreal Board of Trade in their request that they should receive ample bonuses by the Government to put this industry on a proper footing, so that they may compete with the marine carriers on the Great Lakes. While I am on my feet I may say we did not deal with the shipbuilding on the Atlantic in our resolution, but we erred in that we should have dealt with the whole question of shipbuilding. We should have dealt with the trade between Montreal and the Atlantic ports as well as on the Great Lakes.

The resolution was carried unanimously.

CANADIAN INSOLVENCY LAW.

MR. HEATON, Goderich—I beg to move the Goderich Board of Trade resolution:

Whereas Canadian trade is seriously handicapped by the differences of the provisions of the law in the several Provinces applying to assignments for benefits of creditors by insolvent debtors, and the uncertainty as to the security offered in business transactions by the absence of an insolvency law in the Dominion,
And whereas it is important that the Dominion Parliament should enact an insolvency law at the earliest possible date, whereby that confidence which is necessary for the promotion of commerce between the different Provinces and with the outside world would be established.

I will not take up your time in giving you a speech on the present state of the law, but I would simply remind you that this is a question which properly comes within the jurisdiction of the Dominion Parliament under the British North America Act. We had an Act in 1869, we had an Act in 1875, which was repealed in 1880, not because it was undesirable to have a Dominion Law, but because that Act did not meet with the requirements of the country. Since that date the matter has been left with the Provinces to deal with. The consequence has been considerable confusion; every Province legislating to meet its own particular wants. The question was asked me the other day, "Why not leave things alone, what is the need of the law and who is there that wants any change?" I will not take up your time in giving you all the reasons why a law is wanted, I will simply mention a few of them. We have at present no law to compel insolvent debtors to hand over their estate for the benefit of their creditors. Any step of that kind has to be entirely voluntary. There is no power to provide for the discharge of a debtor, nor to punish a debtor in the matter of discharge by penalties if there is any fraud or dishonorable transaction on his part. Any person can be appointed as assignee without giving security. We have had an example in this city within the last few years being charged with an important estate going off with the funds of the estate. There have been several cases of that kind in the Province of Quebec. Where there is no assignment made the creditors have to be paid in the order in which their executions come in to the hands of the Sheriff; there is one exception to that in the Ontario Act, called the Creditors' Relief Act. Traders can order goods from foreign houses. These goods can be shipped over here and the goods can be assigned to somebody and in the meantime he makes an assignment for the general benefit of his creditors and gets the money on his goods, and those goods are absolutely lost to the foreign trader by chattel mortgage. The creditors must pay also for the investigation of fraud. It is a hard thing that the creditor should be compelled to act for the benefit of the country at large, and expend from their dividends funds which should be properly spent by the Government of the country. Then there is power on the part of the Government to compel traders to keep proper books, and it is open to traders to cover up all kinds of fraud by seeking to keep their books. There are many other

reasons why we should have an Insolvency Law. It has been asked who wants a change?

SEVERAL DELEGATES—Everybody.

MR. HEATON—If there is not a dissentient voice I will not take up your time further.

MR. GEORGE E. DRUMMOND—As a matter of form I have very much pleasure in seconding the Goderich resolution. The Montreal Board of Trade has petitioned for just such a law as this.

MR. RUSSELL, Winnipeg—I wish to move an amendment to this resolution that is placed before you, not that we are not in favor of an Insolvency Act, but we want an Insolvency Act to act equitably. We want it so that the estate shall be handled for the benefit of the creditors and at the lowest minimum of cost.

Resolved: That the Dominion Government be requested to assemble one or more of the commercial representatives of the various provinces and the territories, in Ottawa, for the purpose of assisting in framing an act having for its basis the control and management of insolvent estates by the interested creditors, with the legal expenses reduced to a minimum.

That is the position we take in the West. We have an Assignment Act which operates very satisfactorily. The estates are handled very reasonably and expeditiously and with the minimum of cost. Our circumstances differ from your circumstances here. We have greater distances, and as a general thing smaller estates, and to undertake the services and applications in a great many of the smaller estates would be simply to squander the estate to the loss of the creditor and also without any benefit to the debtor. Our insolvency law works well.

MR. BELL, Winnipeg—I have had considerable experience in the efforts to secure Dominion Insolvency legislation during the last few years, and I can say just in a few words the reason there has not been greater pressure from all over the Dominion placed upon the Government to get Dominion Insolvency legislation is that the application came from one or two sections of the country, and the general Boards of Trade of this country; and the varying necessities and needs of Canada from Halifax to Victoria were not consulted. There is no objection, never has been any, on the part of the Manitoba wholesale trade to a Dominion Insolvency law. The nutshell of the difficulty has been this, that the legislation prepared by the Toronto and Montreal Boards of Trade, while probably admirably suited to the existing conditions here, did not at all suit the sparsely settled districts of the North West, where we have no Court House as close as you have, and where difficulties of climate and other considerations block our action. We found the machinery provided in your draft Act would not meet our requirements. There cannot possibly be any objection to having representatives meet together at Ottawa to consider the matter. It seems to me our necessities are now becoming so much in common that there would be no difficulty in agreeing together on some provision that will suit from ocean to ocean. As a matter of fact this demand for Insolvency legislation comes more from Europe than inter-Provincially. We recognize that the English people have a feeling of distrust and fear to trade in Canada, where they find seven or eight different insolvency laws in operation. We want to get rid of that. We can give way on many points if you can give way on some, or try to provide for little matters which are life and death to us.

MR. HUGH BLAIN, Toronto—I rise to take exception to the reflection on the Boards of the East. As Chairman of the Toronto Board of Trade Committee that worked very earnestly for two years on the preparation of an Insolvency Bill, I am rather disappointed with our friends from the West, who did not join us voluntarily. They should have come forward and given us their cordial assistance in getting such a law on our Statute Books as would suit them in the West. I may say this also, they will always find the people of Central Canada ready to endeavor to meet their views. We tried to accommodate ourselves to the views of the whole of Canada, and we would be very glad to co-operate with all sections of the Dominion in the preparation of an Act suitable to the whole of Canada.

MR. DUMOULIN, Quebec—Several attempts have been made before Parliament to produce an Insolvency Law, and for one reason or another they have failed. I think one point which would be of great advantage would be to render the keeping of books compulsory. When a man wishes to defraud his creditors he ceases to keep books or keeps them in such a way as to render his transactions quite unintelligible. I think if traders were compelled to keep books we would at once receive at least seventy-five per cent. of the benefit that we receive from an Insolvency Law. I would therefore move this as a rider to the Goderich resolution :

And whereas experience has shown that a great number of frauds are perpetrated by persons engaged in commercial pursuits,

Whereas such frauds are greatly facilitated by the fact that certain traders do not keep books of accounts,

Whereas the existing laws of Canada do not make it obligatory upon traders to keep books of accounts,

Be it resolved : That this Conference is of opinion that Article 369 of the Criminal Code of Canada should be amended by adding thereto, after the words "or any of them" in the third line, the following words : "Fails or neglects to keep satisfactory books of accounts."

Making Article 369 read as follows :

"Everyone is guilty of an indictable offence and liable to ten years' imprisonment, who with intent to defraud his creditors or any of them, fails or neglects to keep satisfactory books of accounts, destroys, alters, mutilates or falsifies any of his books, papers, writings or securities, or makes or is privy to the making of any false or fraudulent entry in any book of accounts or other documents."

MR. PERRAULT, Gaspé—We have studied that question very seriously in the Chambers of Commerce, Montreal, and we have found in many instances where a man was preparing for a profitable transaction he simply left his books for a year or two and then failed, and when the creditors came to look over his affairs they were at a loss to know where the money had gone.

MR. HUGH BLAIN, Toronto—That is a detail of the Act.

MR. PERRAULT, Gaspé—That is a serious detail ; and our people are of the opinion that unless commercial men keep books it is no use trading with them. We have houses there that deal in groceries and they say it is really distressing the way money is being lost in this manner. In France it is an indictable offence. You have to present your books there and every page is officially marked, not a page can be taken out. The party has to keep his books in a thorough manner and if he does fail the creditor can see all the books. If you do not keep any books at all you are perfectly free to rob different people.

PRESIDENT AMES—I would like to make a suggestion from your President. This Conference started with 124 registered delegates and our round numbers have now come down to about 34. The question of a quorum was perhaps overlooked, but I think that if a quorum had been agreed on it would not have been less than forty or fifty. There is before the House a main resolution, an amendment and an amendment to the amendment, and if the motions cannot be agreed on practically unanimously I think it would be a good thing not to press them.

MR. HEATON—I do not think there is any division of opinion on this resolution and I do not think there would have been any division if the whole Conference had been here. It is a pity that an opportunity should be lost to bring this before the notice of the public. It is one of those questions that has been lying idle, and should be given prominence at this time. There is no difference of opinion between us, but it is only a question as to the form of the resolution.

MR. DUMOULIN withdrew his amendment to the amendment.

MR. HEATON said he would add the amendment moved by Mr. Russell to the main resolution. This was agreed to and the Conference carried the main resolution unanimously as follows :—

Whereas trade is seriously handicapped by the differences of the provisions of the law in the different provinces applying to assignments for the benefit of creditors by insolvent debtors, and the uncertainty as to the security offered in business transactions by the absence of an Insolvency Law in the Dominion ; and whereas it is important that the Dominion Parliament should enact an Insolvency Law at the earliest possible date,

whereby that confidence which is necessary for the promotion of commerce between the different provinces and with the outside world be established,

Resolved: That the Dominion Government be requested to assemble one or more commercial representatives of the various provinces and the territories in Ottawa, for the purpose of assisting in framing an Act having for its basis the control and management of insolvent estates by the interested creditors with the legal expenses reduced to a minimum.

TRANSPORTATION AND COLONIZATION.

MR. DYKE, Fort William, moved the following resolution, which was seconded by Mr. D. F. Burke, and carried

Resolved: That the question of transportation, demands and should have, the united attention of the Boards of Trade throughout the Dominion. That the Conference of the Boards of Trade of the Dominion should make strong representation to the Provincial and Dominion Governments to aid in making our transportation facilities equal to the rapidly increasing population and growing industries of our country,

And would therefore strongly recommend, first, additional railway facilities; second, deeper waterways, longer navigation, extended harbor facilities and increased shipping tonnage

Resolved further: That next to transportation, colonization demands our attention. The recent census shows conclusively that our growth in population has not been satisfactory. Now that the immense fertility of our soil and the resources of our country are attracting the attention of the world, we regard this as a most opportune time when vigorous efforts should be put forth to obtain and direct all desirable emigrants to our Dominion.

IMPROVEMENT OF CANADIAN PORTS.

MR. GEORGE ROBERTSON, St. John Board of Trade, moved the St. John Board of Trade resolution, as follows:

Whereas, the rapidly developing resources of Canada have rendered the question of transportation of vital importance to the future prosperity of the Dominion, and,

Whereas, in the consideration of this question it is essential from a national standpoint that the trade of Canada should to the utmost extent possible be carried on through Canadian channels, and that the exports and imports of our country should pass through the seaports of the Dominion, and,

Whereas, in order to secure these results it is necessary that Canadian ports should be so thoroughly improved and equipped as to enable vessels of the largest capacity to enter them with safety, and in order that the traffic may be landed with the greatest possible rapidity and at a minimum cost,

Therefore resolved: That in view of the vast importance of the above objects to the whole Dominion, the members of the Conference would earnestly recommend the Federal Government to grant all necessary assistance towards the building and the proper equipment of Canadian national ports."

The resolution was seconded by Mr. Thom of Montreal and carried.

METRIC SYSTEM.

MR. J. D. ALLAN—The metric system is no doubt understood by the gentleman at the Conference, at least in regard to the agitation that is now going on for its adoption by the large number of countries that have adopted it. The Toronto Board of Trade took this matter up some few years ago and reported upon it. I myself was chairman of the Committee that brought in that report.

I find by reference to Washington that it has been spoken of very highly there before the Congressional Committee, and Mr. Otto J. Klotz, Dominion Astronomer, has been in attendance before that Committee giving evidence and I am told that it is certain to pass the House. In Government offices its use will begin in 1904 and it will be rendered compulsory throughout the whole of the United States in 1907, this places us in a position of being prepared for the change. I may say that in the chemical departments of our schools this system is used. I need not go into the history of the Metric System, all the countries of Europe use it except Great Britain and Russia, and Russia is using it in one or two departments and it is expected that it will come into general use there. The South American Republics use it entirely. We have been discussing at this Conference the extension of our trade and I need not take up your time to prove that if our trade is to be extended

it will be more easily if we have the same system that is used by the rest of the world. I am told that three Provinces of the Dominion have introduced it into their Educational System. The world is going to use this system, and therefore does it not behoove us to look ahead a little and prepare for its introduction into Canada? I move the adoption of the resolution as printed:

Whereas the largely increasing export trade of Canada necessitates the adoption of a more simple and uniform system of weights and measures,
And whereas on the Continent of Europe the metric system prevails from the Atlantic Ocean to the borders of Russia, and it is also used in the South American Republics,
And whereas the adoption of the metric system has been urged in Great Britain, and in the near future may be established in that country,
Therefore be it resolved: That this Conference urges the necessity of immediate action being taken towards the establishment of the metric system of weights and measures for Canada.

MR. PERRAULT, Gaspé—I beg to second that resolution. I had the pleasure of proposing that resolution in 1896 at the Conference of the Chambers of Commerce of the Empire, and it was carried. England and the United States are the only countries now who are behind in this matter. I understand that as soon as the United States are ready to introduce the system, our country is prepared to introduce a law to make it legal in Canada. I think England should adopt the decimal system in money matters, and I do not see why we do not ask every part of the Empire to adopt the decimal system instead of having the pounds, shillings and pence system. It would be an immense improvement.

The resolution was carried unanimously.

MR. AMES asked Mr. McFee, of Montreal, to take the chair.

MARINE INSURANCE

MR. THOMPSON, North Sydney—This is an important matter to the Maritime Provinces. Our ports have been discriminated against in a way for which there is no just reason as far as we know, and vessels have been driven away from our ports. I think there can be no two opinions upon this subject. I therefore move:

That this Conference respectfully suggests that the important question of discriminating rates of marine insurance against Canadian ports be brought to the attention of the ministers about to attend the coming Conference in London.

MR. JARVIS, St. John—I beg to second this resolution. We all know how our ports are discriminated against in the matter of Marine Insurance rates, not only the St. Lawrence ports but also the ports of the Maritime Provinces.

The resolution was carried.

MR. PERRAULT, Gaspé, moved, seconded by Mr. McFee, Montreal:

That the Council of the Toronto Board of Trade, with power to add to their numbers, be a committee to present to the proper authorities the several resolutions adopted by this Conference. Carried.

MR. JOHN RUSSELL, President of the Winnipeg Board of Trade—I wish to say a few words, and I shall cut my remarks very short. It is said brevity is the soul of wit, and I am going to be the wittiest man here to-day. I wish to move a vote of thanks to the President, the Chairman of the Management Committee, the Management Committee, Mr. Christie, and the Secretary. We all appreciate heartily and most sincerely all you have done for our entertainment, and the opportunities afforded us of meeting together and discussing these questions. There is nothing like getting acquainted, there is nothing like the Provinces getting acquainted with one another, there is nothing like the mingling of ideas from the Atlantic to the Pacific. I think the ideas of nearly every member here present have been changed somewhat, if not changed to a great extent, by this Conference, and the information we have gained of the various conditions in the various Provinces. I therefore take great pleasure in moving this vote of thanks.

MR. JARVIS, President St. John Board of Trade—I hope you will allow me to second this motion which has been made by my friend from Winnipeg, and in doing so to say how much we, from the Maritime Provinces, in common with all

those who have attended this Conference, feel that we are indebted to the President of the Toronto Board of Trade, who has acted also as President of this Conference, for the admirable manner in which our proceedings have been conducted. There is just this one regret, and that is that through the President of the Board of Trade taking the position of Chairman, we have been deprived of the assistance which would have meant to us in the course of proceedings an assistance which we found so valuable on the one occasion in which he allowed himself to speak. I wish also to refer to the Chairman of the Committee on Arrangements, and all the other members of the Toronto Board of Trade who have taken such great pains to make our meeting together so pleasant. I feel there is a word of apology due from the Board of Trade of the city of St. John, and possibly from the Boards of Trade from the Maritime Provinces. We, of the St. John Board of Trade, did attend the meeting at Ottawa some three weeks ago, which rather disappointed us, and when the notice came about this meeting, it was some little time before we realized the importance of this Conference. We did not understand the scope of the Conference.

The resolution was carried by a standing vote and amid hearty applause.

MR. MCFREE, Montreal—It is the greatest pleasure to me, Mr. Ames, to convey this resolution which has been carried with so much enthusiasm, the thanks of this Conference for the dignified and able and impartial manner in which you have presided over our deliberations. (Applause). I would also couple with the thanks to yourself, the thanks to the other members of the Committee who have done so much to bring this Conference to a successful issue.

PRESIDENT AMES—I feel particularly grateful to the mover and seconder, and to you all for this very fine and undeserved tribute. I am sure for myself, and those for whom I may respond, though perhaps they will respond also for themselves, and on behalf of the Chairman of the Executive Committee and the Chairman of the Banquet Committee, and of the painstaking and most efficient secretary, I may say, that the thanks are due rather to those Boards of Trade that have accepted the invitation of the Toronto Board of Trade. It is an easy thing to start things, and to have an idea, but you cannot provide for anything of this kind without co-operation, and I may say that when it was suggested in the Toronto Board of Trade that a Conference should be held, I think no one realized how successful the outcome would be. The success of it is due simply to the taking of it up by, and the co-operation at first, of a few Boards of Trade, then afterwards of more, and then later on of a great many. The Toronto Board of Trade, I assure you, gentlemen, appreciate your co-operation, and it is a sign of the times, I feel, and am sure we all feel it is a sign of the times. Five or ten years ago you would be sleeping over those questions, you were all considering your own future, and it is only the present condition of affairs generally that has permitted the holding of so successful a Conference. So far as my feeble conduct in the chair is concerned, to which you have been so kind as to allude, I am conscious of not having filled the position as well as it should have been filled. At the last I made a mistake of thinking you were all as tired as I was, and found afterwards that you seemed only to have warmed up to the question, and you developed a burst of speed on the home stretch which I might have expected, but which I did not, and which shows what thoroughbreds you are. So far as my conduct in the chair is concerned, it reminded me of the epitaph which I suggested to my wife to put on my tombstone when the proper time should arrive; it consists of two lines,

He did the best he could,
Where ignorance is bliss 'tis folly to be wise.

MR. J. D. ALLAN—I am sure it would be less than human if we did not appreciate all these kind words spoken with regard to the humble efforts made to serve you. I quite appreciate the remarks made by the President; the obligation is on our side to have received such a body of commercial gentlemen representing the remotest parts of the Dominion. I want to say this, though the work has been arduous I think every member of every Committee of the Toronto Board of Trade realized that we were doing something for the commercial life of this country when

we undertook the work, and it was our enthusiasm that helped carry it out to what with your aid has been so successful a conclusion. We have in the past corresponded with each other, and have known each other chiefly through the medium of pen and ink. Now, when we look at a communication we have a personality to place behind that communication; from this time forward with every resolution that will come from every Board of Trade that has been represented here we will say, "There is our friend so-and-so, who lent such valuable aid at our Conference." I thank you, gentlemen, for the kindly way in which you have treated us in acknowledging what little efforts we have put forth, and I hope that in the future you will realize that wherever the commercial prosperity of this Dominion is concerned you will count upon the hearty co-operation of the Toronto Board of Trade. (Applause).

The Convention closed with "God save the King" and with three cheers for the Toronto Board of Trade.

THE BANQUET

On the evening of the 5th June a Complimentary Banquet was tendered to the delegates in the Horticultural Pavilion, Allan Gardens.

Seated at the tables on the platform were Mr. A. E. Ames, Hon. J. I. Tarte, Hon. Wm. Mulock, Hon. Wm. Paterson, Hon. Geo. A. Cox, Hon. Geo. W. Ross, Judge Morison of Newfoundland, Hon. J. R. Stratton, Hon. John Dryden, Hon. Richard Harcourt, Mayor Howland, J. D. Allau, George Robertson, St. John, N.B., Robert Munro, J. F. Ellis, Wm. Briggs, Jas. L. Hughes, John Coates, Ottawa, W. K. McNaught, Wm. Mackenzie; while the delegates, some 160 in number, representing 65 Boards of Trade throughout the Dominion, occupied seats in the body of the hall.

The decorations were exceedingly beautiful, the color scheme being in blue, white and light green. The pillars were all swathed in drapery of these colors, while a canopy extended towards the centre of the hall and up to the roof. The British flag was of course in evidence, flags being hung all around on the main floor under the galleries. Flowers and plants from Dunlop's decorated the tables and faced the galleries, while the platform, on which were the tables of honor, was almost covered with palms and flowering plants. Over the table of honor was suspended a white dove, emblematic of the peace that now reigns throughout His Majesty's dominions, while in the rear was a huge maple leaf made of ferns on a background of white.

The scene was altogether a very animated one, the galleries being filled with ladies and their escorts. During dinner the band of the 48th Highlanders rendered a good programme. One piece that took particularly with the guests was the "Coronation March," which was specially arranged for His Majesty's coronation. During the evening, too, the band and a male chorus gave a number of enjoyable selections, including a fantasia on the airs of the British Empire, the "Maple Leaf" and "La Belle Canadienne." The menu card was a handsome piece of work, plain white with gold lettering, with the seal of the Board of Trade in chocolate and gold.

MR. A. E. AMES, in proposing the toast of "The King," said that he hoped it would be honored at banquets throughout the British Empire for many years to come. The toast was received with great warmth.

Just as he rose to propose the second toast Hon. Geo. W. Ross entered the hall, and the audience gave him a rousing cheer. Mr. Ames threw out a strong hint that the rules in force at the Conference restricting the length of speeches

should be observed at the banquet. He said the Toronto Board of Trade was highly gratified at the response to be present at the Conference, and it was hoped good results would spring from it. No greater contribution toward the success of this country would be afforded than the contribution afforded by these gentlemen by their discussions, and the better acquaintance they formed with one another, so that we would realize that Johnny Canuck and Jean Baptiste are two very good fellows. He then proposed the toast of "Canada and the Empire," which was duly honored. Coupled with the toast were the names of Hon. J. Israel Tarte, Hon. Wm. Mulock, and Judge Morison, of Newfoundland.

"Are we sure that we know our country as we should know it?" were Mr. Tarte's opening words. Were they sure they appreciated their national resources as they should? Let them take a map of the world and point out in any corner of it a land more full of promise than this Canadian land of theirs. It would be out of place, before an audience such as this, to deal in detail with the resources of Canada. They had land in abundance; they could find accommodation, shelter and food for 100 millions. Their forests, their fisheries, their mineral resources, were referred to by Mr. Tarte. They had everything necessary to the building up of a nation, and he hoped that by this time they had fully made up their minds to be masters of their own destinies. They must find markets for the products of their farmers and manufacturers. They must have transportation. (Applause.) They must have transportation through Canadian channels, in Canadian bottoms—(applause)—transportation on Canadian soil, transportation through Canadian harbors. (Applause.) They must have a Canadian policy on land and sea. (Applause.) There must be no foreign domination of their railways or waterways. (Applause.) He congratulated the president of the Conference on the stand they had taken on the broad question of transportation. They would have a Canadian fast line, as they had asked.

"We will have it," he continued, "Canadian and British, I hope. We will have it in such a way that it will not be within the reach of some American and his associates. (Hear, hear). The St. Lawrence River is being made ready to receive that fast line. We are deepening it, lighting it, equipping it with a telegraph system. Some of you perhaps may have forgotten that the Canadian Government have completed during the last six months a system of telegraphs from Belle Isle to Quebec. When the St. Lawrence is equipped as it is being equipped, the fast line, I hope, will be ready. (Cheers). And coupled with it we must have also a Canadian line of freighters. I have just said a minute ago we must have a Canadian policy on land and on sea. (Cheers). We will take lessons from what is going on at the present time. The Canadian people have contributed to the tune of \$100,000,000 in round numbers for the construction of the C.P.R. We hear that there is a movement afloat from our friends and neighbors to capture the control of that Canadian railway. I hope they will not invest their money foolishly, because if they were going to do that, let me repeat what I have said elsewhere, the Canadian people have enough credit, enough money, to build another transcontinental railway. We must have a Canadian policy on every line, in every direction. We must have a Canadian tariff. We are not here to discuss the principles of free trade or protection. Free trade may suit certain countries; it suits England; another system, the protective system, may suit other countries. I suppose that we have made up our minds to suit ourselves. (Great laughter and cheers). We have in French a proverb that my friend Mr. Mulock, who is a French scholar, will understand: 'Charite bien ordonnee, commence par soi-meme'—that charity well ordained begins with itself."

They must fight their opponents with their own weapons. He could not understand why Canadians were obliged to give free markets to a people who raised barriers against them. He had been accused of being an inconsistent man, Mr. Tarte went on. He did not care, so long as he was regarded as a practical man. "Down with theories; theories are no good. (Applause and laughter.) Business is business. (Laughter.) That is to say, if my honorable friends and neighbors want to strangle me, my first duty is to prevent them." Canadians must have a tariff to suit

themselves, Mr. Tarte went on. If 25 per cent. was not enough—speaking for himself alone—he would have no hesitation in raising it to 30 per cent. or 40 per cent. “I don’t care” he said, amid the laughter of the audience.

“The Conference had discussed some very important questions,” Mr. Tarte went on. “They had discussed the relations of the Empire and the Colonies. He was a Minister for the time being, and his lips to some extent were sealed. But free trade within the Empire was a nice thing on paper; if their manufacturers were exposed to free competition from the Motherland, perhaps they would not like it.” Mr. Tarte referred to the Conference and to its value in bringing Canadians, French and English and Irish, together. The more the members of this British community met together the better for all.

Speaking for his race, he could say he was proud of belonging to the British Empire. The King would be crowned in a few days and Canada would be represented. There was another race belonging to the Empire which he would like to see represented there, and that was our new fellow-citizens of South Africa. He would extend to Delarey and Botha an invitation. (Applause). He had no doubt they would be good and loyal citizens of the King. Let them, said Mr. Tarte, go to the Coronation as loyally as we will go ourselves. They fought bravely and we all admire them. They are coming into the British Empire in the same way as our ancestors came in.

“My father was a rebel,” said Mr. Tarte; “I am a British Minister. (Applause). Yes, and I am a loyal British Minister.” (Applause).

Mr. Tarte said he would make this prophecy, that the generous terms made by the Imperial Government to the Boers would make them loyal British citizens within a short time. We should welcome them with both hands. The British Empire meant peace within its limits, tolerance, civil and religious liberty. (Applause).

Alluding to the Colonial Conference at London, Hon. Mr. Tarte said that Canada would be represented there by Sir Wilfrid Laurier and other of his colleagues, and he anticipated a great deal of good to come out of it. The time was not far away when this and other Colonies would play a larger part in the destinies of the Empire. We were growing bigger and bigger, and he considered that the next census would show Canada to have a population of 10,000,000. While it was fine to be subjects of the British Empire, for his part he would like to be a citizen in the truest sense of the word. (Applause.) He felt the Empire was one of the mightiest that ever existed, and they should be proud to belong to it. He considered that the French-Canadians should have no other ambition than to remain within the British Empire.

Hon. Mr. Tarte congratulated the delegates upon the success of the Conference, and referred generally to the satisfactory growth of the country.

Toronto, too, in spite of its errors, was a great city. He liked Toronto, and one of those days would settle within its boundaries and be elected as one of its representatives. (Laughter and applause.) The city of Montreal was also growing very rapidly, and the Mayor had told him a few days ago that during the year 50,000 souls would be added to its population. Of course there was a great French population there. (Renewed laughter.) He concluded by expressing keen appreciation of the warmth of the welcome extended to him, and the kindly references to the French-speaking portions of the community.

Mr. Tarte was loudly applauded when he sat down.

THE POSTMASTER-GENERAL.

HON. WILLIAM MULOCK, who was received with loud applause, expressed first his appreciation of the invitation he had received, and congratulated the Conference upon the great success that had attended their deliberations. He had observed that the Conference, in a limited time, had shown a spirit of despatch and celerity in dealing with the questions submitted that contrasted favorably with Parliamentary procedure. The Conference had dealt with questions of momentous importance, and

running through the discussions was a gratifying spirit of sturdy patriotism and the desire for the promotion of Imperial and Colonial interests only on such lines as make for Imperial unity. This gave additional weight to the views expressed in the resolutions. He could only allude to these resolutions in a general way, and say that the Government were fully alive to the importance of the many questions brought up, and would, he felt sure, press their favorable consideration at the Conference to take place in London. (Applause.) They all hoped then that the voice of Canada would not fall on deaf ears, for the time appeared to have arrived when Canada had a right to expect favorable consideration of her opinions.

At one time, continued Mr. Mulock, there was a feeling that Canada might at some time cut loose from the old country. There had been a revolution in sentiment since then, and the opinion in Great Britain to-day was that the day of separation must never come. (Applause.) Recent events in South Africa had testified to the world that in her hour of need Great Britain's sons beyond the seas knew of no sacrifice too great for the maintenance of the integrity and honor of the British Empire. The war was over, and peace reigned, and it had left the Empire more united in its people, more powerful, and more respected among the nations of the earth than at any time in Britain's history.

Although the war had left King Edward the possessor of more territory, it had not been a war of conquest. It had been a struggle between two civilizations, the civilization of yesterday and that of to-day. The Boers had shown themselves a brave and a gallant people, and they were welcome to the British family. They had lost their flag, it was true, but they had gained more than they had lost. They would have more of freedom and happiness than was possible under their old institutions. This blessing would convert the Boer enemies of yesterday into the loyal British citizens of to-morrow. As the two races in Canada had at one time fought as enemies, and later fought side by side for British institutions, so they might expect that as the Boers came to recognize the inestimable value of British citizenship they would become strong members of the British Confederacy. In this country we had nothing to regret for the part taken by Canadians in the recent South African trouble. The devotion given to the Mother Country in her hour of need was shared by all classes and creeds. The alacrity with which men had sprung to arms, and their self-sacrificing devotion, would fill a page in the history of Canada, would make every true Canadian prouder than ever of the name of Canada, and convince the world that this country would succeed in building up a Greater Britain in this northern part of North America.

Canadians, Mr. Mulock went on to say, were a nation of workers, all engaged in the task of nation-building, and there was no one portion of the community upon which the task would fall more than upon the gentlemen in the hall, all men engaged in mercantile pursuits. In their work they were entitled to the sympathetic and practical support of all good citizens of the Dominion.

The Postmaster-General concluded with a reference to the question of ocean communication with Australia. He had recently, he said, visited that country, and had formed some opinions upon the subject, had brought home the firm conviction that there awaited for Canada, if she proved herself equal to it, a splendid market in Australia for many lines of her products. So far as the Government could, it would assist this movement. It was impossible, however, for Canada to establish a satisfactory trade with Australia with the present means of transportation. Two things were necessary. First, they must establish a cargo line from the Canadian Atlantic ports via the Cape to Australia. Secondly, they needed to improve the existing line from Vancouver to Australia. (Applause.) The latter project, if followed by the establishment of a fast Atlantic line, would divert a vast amount of traffic between Europe and Australia through Canada, which to-day almost exclusively passed through the Suez Canal. That project could not be carried out by Canada without the co-operation of the other Governments. The Canadian Government was prepared to push this project upon the other Governments at the approaching Conference. Canada would do her share if the others would co-operate. If the project were carried through it would shorten the distance

between Great Britain and Australia by many days, and perhaps Canada might intercept and keep some portion of the vast trade that would be attracted over the route.

As for the cargo line via the Cape, Mr. Mulock went on, that was not beyond the resources of their own country. While they would invite the co-operation of Australia, yet if that country proved unwilling, the Government felt sufficiently confident to establish the line at the sole expense of Canada. (Applause.) He would say to business men planning the extension of their trade that they might rely on a permanent cargo line being established between this country and Australia within the next few months. (Applause).

Mr. MULOCK closed with an expression of hope that Canada might continue to increase in material prosperity, and that her progress might be on such lines as would strengthen the bonds of union of the great world-wide Empire of which Canada formed no inconsiderable part.

JUDGE MORISON, of Newfoundland, who followed Hon. Mr. Mulock was, received with hearty applause and cheering. He hoped, he said, that when, by-and-bye, a bona fide proposal was made for the admission of Newfoundland, it would be received with the same warmth which had been extended him. It was not so long since when it was a far cry from Toronto to Vancouver, or to Newfoundland, but to-day the gathering of business men from Vancouver to Newfoundland was proof of what had been accomplished by Confederation and improvement in transportation. On the latter question he spoke interestingly, pointing out that thirty years ago Newfoundland only received mails once a fortnight; to-day the improvement in transportation and communication was one of the strongest forces working toward the closer political union of the two countries. He was pleased, he said, that the ignorance of the western man as to the resources of the Maritime Provinces and Newfoundland was rapidly passing. That was as it should be. Newfoundland was the oldest and most loyal of the British Colonies. It was sometimes said that the people were desirous of being annexed to the United States. There was no such sentiment; it existed only in the imagination of reporters at times when news or cash was scarce. Newfoundland had suffered too much and stood too much neglect, and injustice even, at the hands of the Old Country to be willing to part from her now. (Laughter and applause.) Their eyes were not turned so much in the direction of their friends to the south as in the direction of this great Dominion of Canada.

JUDGE MORISON dealt briefly with some of the injustices under which he said Newfoundland labored. He spoke also in an incidental way of the French shore question, adding that if Newfoundland were added to Canada it would be settled by Hon. Mr. Tarte within six months, a statement which aroused great applause. Continuing, the Judge referred specifically to the question of union. Various matters must be taken into consideration, he said, in relation to the idea. First of these was the debt of the island colony, which now totalled \$20,000,000, of which \$13,000,000 or \$14,000,000 had been incurred in building over 600 miles of railway, and the rest in the erection of public works. This debt would have to be taken over by Canada. The population of Newfoundland was 218,000, its revenue \$2,000,000, its imports \$8,000,000 and exports about the same. The imports were largely from the United Kingdom, the United States, the West Indies and Canada, about one-third being from the latter. In the event of Confederation, Canada would soon he believed, have the whole of this trade.

The island had great resources, and he briefly enumerated them: cod and herring fishing, and whaling, timber and minerals. It was also thought that in the near future rich coal deposits would be found. Everywhere prosperity reigned; the same was true of Canada, and he believed that negotiations should be commenced now while good times existed. He thought that Confederation would be mutually advantageous to both countries, and in Newfoundland, at least, the proposal would be received with the unwillingness which marked the negotiations of 1869, when the advantages were not clearly understood on either side.

The toast of "Our Guests" was briefly proposed by Mr. Ames, who remarked that 141 delegates duly accredited from 63 Boards of Trade from all over Canada had registered at the Parliament buildings.

MR. GEORGE ROBERTSON of the St. John, N.B., Board of Trade, spoke first in reply to the toast. He referred in graceful terms to Toronto and its ladies who were present, and alluded to the questions discussed in the Conference. Mr. Tarte's words, he said, had sent a thrill of hope through the Maritime Province men, and, he hoped, all Canadians. He recalled the battle for Confederation, and the growth of a Canadian spirit over the whole of the Dominion, and concluded with an eloquent appreciation of the elements that go to build up a nation.

MR. JOHN RUSSELL, President of the Winnipeg Board, briefly returned the thanks of the Winnipeg delegation for their hospitable reception in Toronto.

MR. D. MASSON, President of the Chambre de Commerce of Montreal, spoke in the same strain. Proceeding, he referred to the Conference as the most important of its character ever assembled in Canada, and congratulated the President and members of the Toronto Board of Trade upon originating and carrying out the idea to so successful a conclusion.

MR. ROBERT MUNRO, of the Montreal Board of Trade, and President of the Canadian Manufacturers' Association, expressed appreciation of the hospitality of the Toronto Board of Trade. He alluded to the discussion by the Conference of various Imperial questions, and remarked that the conclusions reached had coincided very largely with the views of the Canadian Manufacturers' Association:

MR. J. D. ALLAN proposed the toast of "The Resources and Prospects of Canada" very briefly, simply saying, in answer to the question "Do we know our country?" that the delegates had come to know more of our country during their meeting here.

HON. GEO. W. ROSS, who was exceedingly well received, opened by saying that he was delighted to have the opportunity of meeting so many captains of industry from so many parts of Canada. It was a happy thought of the Toronto Board of Trade to summon this great Commercial Congress, to assemble these representatives of the commercial interests of Canada for the purpose of considering what best could be done to extend the commerce and increase the industrial influence of Canada. It was very important to look at large questions from a central point of view. Canada had got to be so large that central meetings had become necessary in order rightly to view the whole field. They had religious gatherings, they had educational meetings, they had the Parliament at Ottawa, and it was eminently proper that they should have a species of commercial parliament. He was delighted to notice that large questions had mainly occupied the Conference, such as transportation, inter-Provincial communication, questions of Imperial importance. All of these helped to make them feel that they were growing out of their knickerbockers—were growing into manhood.

It would take considerable time to present the resources of Canada. He would not weary his hearers with many details. At the basis of their prosperity must be placed their agricultural resources. It took about three billion bushels of wheat to feed the world. Canada had 300 hundred million acres of wheat-growing land, which, at ten bushels to the acre, would feed the world. Mr. Ross drew attention to the northward movement of the wheat belt. At present Canada had the largest undeveloped wheat area in the world. Before the century closed the Dominion would be the source of the food supply of the continent of Europe. (Applause.)

This in itself was a suggestion as to our wealth, and as to the development of a phase of our future wealth, which might well occupy for many days the attention of a great Congress of Commerce such as that now assembled in this city. Side by side with our agricultural wealth was our wealth of forest. The forests of the United States were becoming denuded. America, so-called America, would have to come to Canada very soon for its supply of timber, and what was true of the southern half of this continent was becoming more especially true as to the great continent of Europe. The forest wealth of Canada was a subject which would require many hours to discuss fully, and a subject which might very well engage

the attention of our commercial men. Our mineral wealth was unknown to us. We were just beginning to find it out, to find that we had the great minerals that had made England so strong and had given her such a supremacy by land and by sea. Without her coal and iron what would England be to-day? We had fields of coal just as productive, and as for iron, we believed that the centre of gravity of the iron industry, which had shifted from England to the United States, would before many years be transferred to the Dominion of Canada. Recent investigations showed that in quantity and quality the ore of Canada is equal, if not superior, to the iron ores found in any part of the world. Nor were iron and coal the only valuable minerals we possessed.

The discoveries made in the Yukon showed that the wealth of gold in this country was practically beyond the dreams of avarice. Last year our mineral wealth realized us \$69,000,000. Then we had a wealth of fisheries. We had 15,000 vessels engaged in fishing, and 118,000 men were engaged in that industry. Many of these men were trained sailors, and in time of emergency they would form a wall of fire around our much-loved land. The assets of our banks last year were \$531,000,000, seven times what they were thirty years ago. In 1867 our loan companies had assets of \$20,000,000; now they had \$152,000,000. Our bank deposits in 1867 were \$42,000,000; last year they were 424,000,000. The assets of our insurance companies amounted to \$66,000,000, and we had invested in public works for the benefit of the country \$269,000,000 of money. He wished we could feel we were better off than we sometimes thought we were. We sometimes shivered with fear when confronted with some great enterprise, the craven fear that we had not the means with which to carry it out.

For our commerce we had generous facilities. We had 700,000 tons of registered shipping of our own, and our shipping inward and outward represented about 30,000,000 tons a year. We had 18,294 miles of railway, which had cost \$1,042,000,000, earning \$72,000,000 a year. We had 688 miles of electric railway, with a capital of \$38,000,000; canals that cost us \$98,000,000; 35,000 miles of telegraph and 113,000 miles of telephone.

Facilities of transportation alone would not do. What was the intellectual outfit of the people—the mental stamina? Had they taken pains to prepare themselves for commercial expansion, to fill the great roll which, he believed, in the order of Providence, they were called upon to fill in this western hemisphere? There were in Canada seventeen universities for higher education, indispensable to the fulfilment of the true national life of a free people. Old Oxford and Cambridge kept the Shekinah burning on the altar of English liberty for many years before a popular system of education was dreamed of. Two hundred and fifty years ago Harvard kindled a light which was seen across the continent, and sent many of her students to the first Congress which drafted the constitution of the United States. They must look to the larger light of this great source of intellectual quickening and power if they are to keep the lamp of intellectual learning burning as they ought to keep it. (Applause). There were 57 colleges, and in these and the universities were 17,000 students. He would be glad if these would seek for their future careers in business, commerce and statesmanship. There was need in the legislative halls of the country for men who had studied constitutional law and history, and who had modelled their lives according to the lives of the greatest statesmen. The Dominion had 19,000 public schools, attended by over 1,000,000 pupils, at a cost of \$10,000,000 per annum. Taken all in all, Canadians were about as well educated as any people under the sun. There was, he believed, a wider diffusion of knowledge and fewer people in the country who could not write than in the same population in any other country in the world. (Applause.) Then there was the press—177 daily papers, 866 weeklies, 254 monthlies and 12 quarterlies; journals of various sizes and descriptions, and this was another important part of the intellectual outfit of the Dominion. The man who did not keep himself in daily contact with the business knowledge and progress of the world relapsed into a state of mental weakness which

unfitted him for being a "captain of industry" or a good citizen. There were various other sources of intellectual power; public libraries, not a few organizations such as Boards of Trade, lecture courses on various subjects, and at the back of all this, religious institutions represented by about 12,000 churches and officered by ministers fully equipped for their work. Then there is one more important point, Mr. Ross went on. We have 5,000,000 people, or nearly 6,000,000 of the sifted wheat, shall I say, of the strongest races, the dominating races of the globe. Go where you will, you will find the Anglo-Saxon, the Celt and the Norman in the majority, and if you study the history of these races and their influence in the councils of the world you will find that these three races are sovereign by land and by sea. (Loud and long continued applause.)

This happy combination—the Anglo-Saxon, with his stern integrity; the Norman, with his vivacity and brilliancy, and the Celt, with his many sterling qualities—each are blending into what will be, I trust, the noblest of them all, a Canadian race—(applause)—a race noted for its spirit of enterprise, its obedience to law and order, its integrity of character, and noted for its loyalty to the institutions which it has established for its own use and benefit. Out of these races, I believe, there will grow up on this soil a Canadian race, which will do honor to the various stocks from which it springs, and assert itself in enterprise and business in a manner worthy the admiration of the world. (Long continued applause.) Continuing, Mr. Ross asked who could say what were the prospects of Canada with so much capital in hand and such an intellectual outfit. He hoped that they would not feel that he exaggerated; that their prospects were not all that the human hearts could desire. Commercially they could see by the tables how their trade had developed since Confederation, how their imports and exports with each country had increased, how their ships sailed on every sea. The development of Canada was almost a romance in itself, Mr. Ross went on. One hundred years ago there had been a forest where Toronto now stood; Montreal had been a little seaport; St. John had been a fishing town; Halifax had been a garrison town, an Imperial outpost; Vancouver had not been known; Winnipeg had been a prairie. What had been done in that time? Railways had been built, commerce now covered waters then used only by fishing boats, industries had grown up where there had been forests, farms covered what had been prairies. All this had taken place within the memory of many of those present, and it had been accomplished by less than six millions of people. What would be done in the next hundred years? Who was there that had the spirit of the seer who could not see in the future of Canada a wonderful growth? The prospect should stir them to do their whole duty by Canada, in a commercial, political or educational sense. They should without halting step forward, should establish their supremacy as their possessions and their wealth warranted.

With regard to their commerce, three things were indispensable. For one thing, they should steadfastly endeavor to make for themselves a market in the old world. He was delighted that the Dominion Government was appointing a trade commissioner in Great Britain, was opening a trade agency in London. John Bull did not know very much about this scion of his, Mr. Ross went on. Canadians must see to it that they thrust themselves on the old man's attention, show him what noble sons had grown up while he was busy with France and Germany. Napoleon was wont to study tactics with the map of Europe spread before him. Canadians should study the problems of commerce with the map of the world before them. The first part of the world that we should aspire to conquer should be the British market. Mr. Ross referred to the sporadic nature of former efforts to introduce Canadian goods into the English market, and said that it was only recently that we had made much headway there. He maintained that we should as far as possible export fully-manufactured goods, so as to reap the double profit. We should so co-ordinate our transportation that there would be practically no material break between transportation by land and by water. In the fourth place we should endeavor to secure in the British market the privilege of British citizens. Mr. Ross spoke eloquently of the place Canada now holds in the estimation of the English people. As the years went by,

and the population increased, Canada would become one of the strongest and most important parts of the Empire to which she belonged. It behooved Canadians, therefore, to rise to the importance of their heritage, and strive to attain all the virtues of political integrity, loyalty to their constitution, and devotion to the best interests of the land in which they lived. (Loud and prolonged applause).

The chairman announced that the Conference would continue this morning, and that the general public were invited to attend the sessions. The band played the national anthem and the gathering dispersed.



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