

THE EMPIRE IN CONFERENCE

UPON

EMPIRE TRADE.

JUNE, 1892,

saw The Empire in Conference in The Imperial Metropolis of London upon

THE DEVELOPMENT OF TRADE WITHIN THE BRITISH EMPIRE.

I.

On Thursday, June 23rd, 1892,

AN EMPIRE TRADE CONVENTION

was assembled at the Westminster Palace Hotel by

“THE UNITED EMPIRE TRADE LEAGUE.”

THE MAIN OBJECT

was to acquaint The Empire, and particularly the Mother Country, with the unparalleled resources of The Empire, and to show its productive independence of Foreign Nations, and

THE PRACTICABILITY OF COMMERCIAL FEDERATION.

The Right Hon. J. Lowther, M.P., presided, and there were present among others : The Premier of New South Wales, The High Commissioner of Canada, The Agents General for Victoria and Cape Colony, The Special Commissioner for Natal, The Ex-Premier of New Zealand, and representatives of The Boards of Trade of Montreal, Halifax, Toronto, Vancouver, and of many Chambers of Commerce in Australasia and South Africa, as well as the Right Hon. Sir George Bowen, G.C.M.G., Sir Donald Smith, K.C.M.G., Mr. Henniker Heaton, M.P., Col. Howard Vincent, C.B., M.P. (Hon. Secretary), Sir Frederick Young, K.C.M.G.; Mr. David Evans,* Mr. Duncan, Mr. McFie, Sir Guilford Molesworth, K.C.I.E., and others.

* Mr Evans has shown by the experience of The Norwich Crape Company how goods had to be sold to France at the same price as before the duty was increased by 6 per cent.

Carefully prepared Papers were read, or Addresses delivered, by :

- The Hon. Sir Charles Tupper, Bart., G.C.M.G., C.B., High Commissioner for Canada, on "The wheat capacity of Canada ;"
 The Hon. Sir Geo. Dibbs, K.C.M.G., M.P., on "The productive capacity of New South Wales and Australia ;"
 Capt. the Hon. Sir Charles Mills, C.B., K.C.M.G., on "The productive capacity of Cape Colony ;"
 The Hon. Sir John Robinson, K.C.M.G., on "The productive capacity of Natal ;"
 The Hon. W. B. Perceval on "The productive capacity of New Zealand ;"
 Cecil Fane, Esq., on "The productive capacity of Newfoundland ;"
 Sir Guilford Molesworth, K.C.I.E., late Consulting Engineer to the Indian Government, &c., &c., on "The productive capacity of British India ;"
 W. W. Pownall, Esq., on "The Wine Produce of Australia."

The CHAIRMAN explained that The United Empire Trade League now numbered nearly 6000 members, of which no less than 300 were members of legislative bodies in one portion or other of the Empire. Although some had been, and were still, advocates of the principle of what is popularly known as Free Trade, whilst others inclined towards Protectionist opinions, all were united upon the solid basis that, having regard to the condition of trade throughout the world, the time had now come, if indeed it had not been too long delayed, when all having the interests of British trade at heart should cast aside old predilections and prejudices, and unite in furtherance of a common aim, namely, the development to the utmost capacity of trade within the limits of the British Empire, and securing a preference within the Empire to trade which has its origin within the Empire over the products of countries outside the Empire. Mr. Lowther called attention to the fact that in the spring of 1891 the whole of the Agents-General of the Self-Governing Colonies waited on the Trade and Treaties Committee at the Board of Trade, and urged the denunciation of provisions in foreign treaties restraining preferential British trade, and that on September 25th, 1891, the Hon. the Senate of Canada, and on September 30th, 1891, the House of Commons of Canada, voted on the motion of the Dominion Government an Address to the Crown "to denounce and terminate the effect of the provisions referred to, as clearly adverse to the interests of the United Kingdom, and of each and all of its possessions," and that on April 25th, 1892, the House of Commons of Canada resolved "That if and when the Parliament of Great Britain and Ireland admits Canadian products to the markets of the United Kingdom upon more favourable terms than it accords to the products of foreign states, the Parliament of Canada will be prepared to accord corresponding advantages by a substantial reduction in the duties it imposes upon British manufactured goods."* He explained that The United Empire Trade League did not seek to fetter the freedom of action in fiscal matters of any of the self-governing component

* Moved by Mr. Alexander McNeill, M.P., seconded by M. Desjardins, M.P., a leading French Canadian.

elements of the Empire, but, subject to the condition of affording a reasonable preference to Inter-British trade, sought to confirm that absolute fiscal freedom shall remain as the inalienable birthright of every independent community which is ranged under the British Crown. He also said that the staunch Free Trader passed no censure on Mr. Cobden and those who agreed with him, if he reluctantly arrived at the conclusion that although the theory and principle of Cobden might be right, the fact was indisputable that all the rest of the world had refused to act thereon, and adaptation to the real facts of the situation had become vitally necessary. In conclusion Mr. Lowther referred to the declaration of the Marquis of Salisbury on June 19th, 1891,—“With respect to those two unlucky treaties (with Belgium in 1832, and Germany in 1865, precluding British Colonies from admitting British goods on more favourable terms than foreign goods) that were made by Lord Palmerston’s Government some thirty years ago,* I am sure the matter of the relation of our colonies could not have been fully considered. We have tried to find out from official records what species of reasoning it was that induced the statesmen of that day to sign such very unfortunate pledges; but I do not think they had any notion that they were signing any pledges at all. I have not been able to discover that they at all realised the importance of the engagements upon which they were entering. I think I can give you, with the greatest confidence, an assurance that not only this Government, but no future Government, will be disposed to enter into such engagements again. We shall be glad, indeed, to take every opportunity that arises for delivering ourselves from those unfortunate engagements, but we can make no promise as to doing so at the price of other protective stipulations to which the trade of this country is pledged. The Government will carefully watch; and before a very long time has elapsed no doubt some means of mitigating these evils may be found;” and to the statement of the Prime Minister on May 19th, 1892,—“Foreign nations are raising one after another a wall, a brazen wall of Protection around their shores, which excludes us from their markets, and, so far as they are concerned, do their best to kill our trade. Nobody cares two straws about getting the commercial favour of Great Britain.”

Sir CHARLES TUPPER, in the course of a very able paper, said—“Although the United Kingdom is obliged to import over £200,000,000 of food products for annual consumption, it is satisfactory to know that in the outlying portions of the Empire almost everything that she requires can be produced. The great capabilities of India as a source of supply for wheat, and of Australasia for both grain and meat, are well known; while these, and many other parts of the Empire, are also contributing in other ways to the food supplies of Great Britain, and their exports of this character are certain to largely increase. In Canada at the present time there are 25,000,000 acres under cultivation, of which, according to the census of 1881, only 2,336,554 were under wheat. Leaving out of computation the unorganised territories

* Canada has for ten years striven to procure the Abrogation of these two clauses, restraining trade between the United Kingdom and the Colonies.

in the Dominion, and only taking about 50 per cent. of the area of the provinces as land available for agriculture, it may safely be predicted that in course of time we shall have at least 500,000,000 acres under cultivation. As most of this territory is suitable for the growth of cereals and for the raising of cattle, it will at once be seen how large the exports of such products from Canada may become—ininitely larger than the exports from the United States at the present time. This condition of affairs was corroborated by a Committee of the Canadian Senate, appointed in 1887, to inquire into the resources of the Great Mackenzie Basin, and which reported ‘that the scope of the Committee’s inquiry embraced 1,200,000 square miles of territory, and that there is a possible area of 650,000 square miles fitted for the growth of potatoes, 407,000 suitable for barley, and 316,000 suitable for wheat. That there is a pastoral area of 860,000 square miles, 26,000 of which is open prairie with occasional groves; 274,000 square miles, including the prairie, may be considered as arable land.’” Sir Charles Tupper concluded by saying—“It seems impossible to doubt the practicability of producing within the borders of the Empire all the food products required by Great Britain, and it is equally obvious that the competition between India, Australasia, and Canada may be safely relied upon to prevent an increase in the cost of such commodities. The advantage of being independent of foreign countries in a question so vital as the necessary supply of food, will be greatly enhanced by the increased demand in all these great outlying portions of the Empire for the products of British industry in these islands; while, at the same time, powerful British communities will be rapidly growing up in Australasia, South Africa, and Canada, making the Empire strong where it is now weak. A policy with these objects in view would be much wiser than that which has hitherto prevailed, under which the population and capital of this country have largely gone to increase the power of nations which, at any rate from a commercial point of view, do not show any excessive friendship for our Mother Country.”

Sir CHARLES MILLS, K.C.M.G., C.B., Agent-General of Cape Colony, next addressed the Conference. He remarked that he was not at liberty to say how far the Government he represented adopted the policy of the League, but he could say that they were entirely in sympathy with its main object. He was glad to find that while there was a desire both at home and in the colonies that the whole Empire should be regarded as one in blood and in interest, there was, at the same time, every readiness to give the colonies full freedom of action in regard to their fiscal arrangements with surrounding countries. He then gave a number of statistics relating to the productions of the colony in wheat, wool, wine and spirits, tobacco, minerals, &c., and said the two great necessities of the colony were railways and irrigation. Railways, as the first necessity, were being rapidly extended, and with an efficient system of irrigation the resources of South Africa would be boundless. The fruit industry had just been commenced in South Africa, and already it had been attended with satisfactory results.

The seas round the coast of Africa were swarming with fish of a most excellent kind, and here again was an opening for a great industry, and another important means of food supply to Great Britain, if trade could be carried on under favourable conditions, such as the League proposed.

The Hon. Sir GEORGE DIBBS, K.C.M.G., M.P., Prime Minister of New South Wales, said, "Although born in Australia, I claim to be as much an Englishman as any person in this country, and if that feeling exists in other colonies as I know it exists in Australia, and continues under the fostering care of judicious statesmanship and judicious arrangements, the result must be an enormous strengthening of the power of this great country. I am proud of all the glorious traditions and vast possessions of Britain." Continuing, Sir George Dibbs stated that all that had been said of the resources of the other colonies might be said with regard to Australia as a whole. It was apparent to him that a feeling had been recently growing up in Great Britain that the fiscal policy of the country during the last 50 years was not now regarded as entirely satisfactory. It was certainly not regarded as satisfactory in the colonies. He was a free trader once, but when he found what the war of tariffs was doing—that New South Wales was the only free-trade colony out of the seven colonies forming Australia, he was bound, in sheer protection of his own colony, to place it on all fours with the others. In adopting a protective tariff in New South Wales they had done two things—increased the power of production in the country, and increased the wage-earnings of the labourer.* They adopted that tariff last April and it had already been found advantageous. Under reasonable fiscal arrangements with the colonies England could certainly make herself independent of foreign countries in regard to the supply of food. In Australia they had a territory which was unequalled for variety of soil and climate, and capable, in fact, of producing everything required by the civilized world. Having referred to the productive resources of Australia in cattle, meat, and wool, he said he hoped the time would come when England and her colonies would be closely bound together by mutual trade and interests—by commercial federation. No tie could bind England and her colonies together better than a commercial one. All that was wanted to give enormous development to the trade of the colonies with the mother country was a liberal protective system such as was now established between the colonies themselves. He believed it to be quite possible to have a commercial arrangement on a preferential basis between Great Britain and the colonies, always reserving to the colonies their freedom and fiscal independence which must not be disturbed. Whilst not binding his Government or the New South Wales Parliament, but expressing his own sentiments, he believed that the New South Wales Legislature would be quite prepared to carry such a resolution as had been passed by the Canadian House of Commons.

* "From 7 o'clock in the morning till 7 o'clock at night, a man (Sheffield Cutler) could earn, on an average, 25s. per week." (President Sheffield Federated Trades Council, 15-8-92). Deduct rent, rates, and taxes all paid by the home producer instead of by the foreigner, and how much remains for wife and children?

The Hon. J. MUNRO, Agent-General and Ex-Prime Minister of Victoria, said the colonies of Australia were protectionist because they found it necessary in order to provide employment for their own work-people, and because they desired, in case of war, that each colony should be able to produce sufficient for its wants within itself.

The Hon. SIR JOHN ROBINSON, K.C.M.G., of Natal, in the course of an eloquent address, said :—“ The steadfast policy of Natal has been to remove every barrier to the extension of trade with the interior by reducing customs rates on goods in transit, by extending railways, and by keeping down railway rates. Of more interest to you will it be to hear that last year eight-tenths of our imports came from the United Kingdom, that more than one-tenth came from British Colonies, and that considerably less than one-tenth came from “ Foreign Countries.” These figures fairly represent the proportion throughout the past, and will, I venture to believe, reflect the proportion in the future, should the integrity of the Empire be maintained unimpaired. Facts are more conclusive than assertions, and I leave the figures I have stated to prove whether trade does or does not follow the flag. It would be improper on my part to speak in the name of Cape Colony, but I may be allowed without presumption to say that the trade returns of our older and greater sister colony tell the same tale. In Natal our inexhaustible coal fields are now, and have been for some time connected by railway from the pit’s mouth with the sea port. Our coal is being more and more used by ocean-going steamers. It has yet to be realized in this country what this fact means to the Empire in case of war. Were the Suez Canal closed England possesses at Durban a coaling station which is fed with good steam coal from mines that are near enough to be out of the reach of any hostile fleet or cruiser. The coal fields of Natal, taken in conjunction with a completed railway system, and an improved harbour, mean to the Empire the command of a constant coal supply in time of war for the sustenance of trade with Australia and the East, regardless of whatever might happen to the Suez Canal. I have been asked more particularly for a brief statement as regards the ability of South Africa to supply the needs of the Mother Country and the Empire. Time will not permit me to do more than supplement what I have said by a simple enumeration of the products which have been proved to represent the industrial capacities of our country. They are: diamonds and other precious stones, gold, silver, copper, lead, iron, cobalt, coal, slate, limestone, and clay; wool, flax, fibres, and silk; cereals of all kinds; sugar, tea, coffee, cayenne, tobacco, arrowroot, ginger, and turmeric; fruit, preserves, and dairy stuff; live stock, hides, and skin; ostrich feathers, and tanning bark; hams and bacon; salt, spirits, wines, and beer. Given capital, industry, skill, and enterprise, these are the commodities which South Africa can produce to supply the needs of the Mother Country and the Empire and the world. It is impossible, however, to ignore the fact that under present circumstances the great bulk of our trade is done with the Mother Country, and that all the articles I have named can

be supplied from other British Colonies. Australia can feed us with flour, as indeed she does now. Canada can send us timber, Mauritius, in case of need, could give us all the sugar we can consume, and from India and Ceylon we could draw our tea. There cannot be a doubt that, so far as productive capabilities are concerned, the British Empire could become absolutely self-sustaining and self-supporting."

Sir GUILFORD MOLESWORTH, K.C.I.E., showed that the average annual export of wheat from India during the seven years 1865-71 was only about a quarter of a million cwts., but under a wise policy of State Railway extensions and low railway grain rates, it had increased enormously. The latest returns of the Government of India showed that the year's return at more than 30,000,000 cwt. of wheat;* or nearly 9,000,000 cwt. in excess of the English imports of wheat and flour from the Atlantic ports of the United States, as shown by the latest statistics of the Board of Trade. The wonderful elasticity of India is shown by the fact that, in spite of the increase from a quarter million to 30 million cwt., the silver price of wheat has not risen. Fifty-five per cent. of India's wheat exports, during the 15 years 1876-90, have gone to England, 45 per cent. to other countries. The total yield of wheat of India was estimated by Government a few years ago at about 96 million cwt. or 14 millions in excess of the total requirements of England, and this production is on the low average rate of yield of Indian agriculture, which, in some experimental cases in the Government farms, has been trebled by proper systems of farming, manuring, and irrigation. The Government records have shown that there are, in the Punjab alone, upwards of nine million acres of Government land suitable for the growth of wheat, but now lying waste, in addition to which are millions of acres of similar land in Central India, Assam, and Burma. In our newly acquired territory of Upper Burma only 16,000 acres are under wheat cultivation, although there are 17,800,000 acres of uncultivated land available for cultivation. The total quantity of uncultivated land capable of cultivation is about 98,000,000 acres. As regards quality, Dr. Forbes Watson reported to Government that many samples of soft wheat of Indian growth were equal to the finest Australian, and of hard wheat equal to the finest Kaabanka. The average prime cost of raising wheat in India has been estimated at 6s. per quarter, whilst that in the United States averages about 12s. 6d. per quarter.† Unfortunately Indian wheat has suffered in reputation by the want of care in cleaning it before exportation. A few years ago he was invited to meet in New York a number of influential gentlemen connected with the export of wheat, and they all agreed that Chicago no longer fixed the price of wheat, but India. If the Empire is to be preserved it must be by the strong effort of a wide comprehensive policy, which will knit India with our colonies into one mighty federation, under an enlightened system of fiscal reform; a federation, homogeneous in

* Germany obtained in 1890 a million bushels of Indian Wheat.—(*Report of Trade and Treaties Committee*).

† A prolonged correspondence in the *Pall Mall Gazette*, in June, 1892, proved that a fall at Liverpool of 10s. per quarter in the price of wheat had not been followed by any reduction in the price of bread.

character, unselfish in aims, and united in policy. No doubt, to use the words of Professor Seely, our problem has difficulties of its own,—immense difficulties; but the greatest of these difficulties is one which we make ourselves; it is the false conception that the problem is insoluble. Is it impossible to conceive a more foolish policy than that which neglects the development of this ample source of supply, and allows the trade to drift into the hands of foreign nations, like Russia; thus arming her with the sinews of war which will probably before long be turned against us?

The Hon. Sir JULIUS VOGEL, K.C.M.G., formerly Prime Minister of New Zealand, spoke on the general question, and said he thought Imperial federation was impossible unless it was preceded by some well-defined and rational fiscal arrangement. He also quoted statistics to show that by far the greater proportion of the duties paid by England on imports was paid to foreign countries, and only a small proportion to our own colonies, and urged that this state of things ought to be reversed. Wheat, wool, coffee, tea, tobacco, wine, butter, cheese, meat of all kinds, sugar, wood and timber, cured and salted fish were among the articles which the British Dependencies are fully capable of supplying the United Kingdom to an enormous extent beyond what they now supply. He found that in respect of these articles during 1891 the Mother Country paid no less than 171 millions to foreign countries, whilst for the same classes of articles the English only paid to British possessions the sum of 56 millions. The object of the League was to alter these figures, and if possible reverse them. He firmly believed that the consumers in the United Kingdom, who now paid 171 millions to foreign countries for a given amount of these productions, would find when they came to supply themselves more largely from the Colonies, that they would be able to obtain the same quantity for a much less amount, and that, of course, would be an important point for the British consumers to look to. He believed that when once British possessions were started on the road to supply the Mother Country with what she required, they would be able to supply as much as was desired, and cheaper on the whole than the foreign producers, who have hitherto got the custom.

The Hon. W. B. PERCEVAL, Agent General of New Zealand, in the course of an elaborate review of the productions of New Zealand, said: "It is as a food-producing country that the colony of New Zealand is especially interesting to people in this country. The rapid increase which has taken place during recent years in the exports of surplus food from New Zealand, and the great capability of increased production which the colony offers, points to New Zealand being found at no distant date in the front rank of food-producing countries. There was an increase in 1890 in the value of the imports from the United Kingdom to the extent of £83,193, or nearly at the rate of 2 per cent. The increase in the value of imports from Germany amounted to £31,339—a comparatively small amount, but very large having regard to the value of imports in 1889, which amounted to only £18,964. The increase in 1890 was thus at the rate of 165 per cent.—another

evidence of the enterprise of the German merchants, which has been very noticeable in recent years. The principal increases in imports from other countries were in those from Belgium, the United States, and the Fiji and Pacific islands. The following statement shows the relative importance of the Australasian Colonies as markets for the productions of the United Kingdom:—

Exports of Home Production from the United Kingdom in 1890 to—

British India and Ceylon	£34,562,616
United States	32,068,128
Australasia—	
Queensland	£2,128,216
New South Wales	7,334,666
Victoria	7,101,348
South Australia	2,040,559
Western Australia	464,209
Tasmania	609,344
New Zealand	3,314,482
Fiji	13,180
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	£89,636,748
Germany	19,293,626
France	16,567,927
Holland	10,121,160
China and Hongkong	9,138,429
Capc of Good Hope and Natal	9,128,164
Argentine Republic	8,416,112
Italy	7,757,862
Belgium	7,638,712
Brazil	7,453,628
Canada	6,827,023
Turkey	6,772,061
Russia	5,751,601
Spain	4,999,705
Japan	4,081,793
Egypt	3,381,830
Chili	3,130,072
Sweden	3,061,976

The exports of home produce to other countries did not in any case amount to £3,000,000. The Australian Colonies as a whole, with a population under 4,000,000, thus take third place in importance as consumers of British produce, the exports thereto being about two-thirds of the value of the similar exports to British India, with its 285,000,000 inhabitants. The consumption per head of the population might be somewhat less in the future as the proportion of adults decreases owing to lessened immigration and increase by births; but the relatively high rates of wages, and the absence of causes for any extensive pauperism, will make the proportionate consumption of products for a long time high. The rapid growth of the Australasian

population may thus be expected to largely increase the demand for British products, and the future of the trade between the United Kingdom and the Australasian Colonies will probably be such as to make them by a long way the principal markets for those products, and very important factors in the progress of the Imperial commonwealth."

Mr. CECIL FANE, lately Private Secretary to his Excellency the Governor of Newfoundland, read a valuable paper on The Productive Capacity of Newfoundland, in concluding which he said: "There are many thousand square miles of country eminently suitable for all classes of farming; I have seen excellent samples of wheat, oats, and barley, grown upon the Island, while potatoes and root crops do as well as those at home. Sheep and cattle raising will, I feel sure, be one of the future industries of the Colony, the experiments already made in this direction having proved more than satisfactory. Natural grasses abound, and the barrens of the interior are eminently suited for the purpose. The climate is not so severe as that of Canada, the winters are shorter, and the cold is not so intense, while the distance to England is but 1,750 miles, and some day I fully expect to see a large supply of beef and mutton shipped to the Mother Country. If the finances of the Colony are able to bear the strain of the extensions of the railway system now in progress, then I am convinced that the large and undoubted natural resources of the Island will make it one of the most valuable possessions of the British Crown, and open up a field for large emigration from this country. Newfoundland has suffered in the past from misrepresentation, but in these days of general knowledge and enlightenment the clouds that have hung over her for so long are sure to be dispelled, and the people of England will recognise that in their oldest Colony they have a possession second to none in the Empire."

Mr. W. W. POWNALL read a brief paper on The Australian Wine Trade, saying:—"With an absolutely unlimited area on which vines can be planted, extending over not hundreds of acres, but over hundreds of miles of acres, where excellent land can be turned into a perfect vineyard, and in full bearing, at an outlay not exceeding ten pounds an acre; imagine what a magnificent field of enterprise presents itself to us. I estimate that vines can be grown, and good wines made, on suitable and well-selected districts in the whole of Victoria, the lower half of New South Wales, and in the southern portions of Western Australia, thus giving such an immense choice of locality and climate, that with the assistance of man and science any conceivable description of wine may be produced. In addressing a meeting interested in the United Empire Trade League on the subject of Australian Wine, it is impossible not to comment on the lack of interest and encouragement displayed by our Government in the treatment of colonial industry. When Mr. Gladstone, early in the sixties, reorganised the wine duties, he lowered the rate of duty on

wine coming into this country, and thus gave a great impetus to the consumption of light wholesome wines of comparatively low alcoholic strength. The trade with France increased with leaps and bounds. On the other hand, the trade in colonial wines received a severe check. For previous to 1861 or '62, wines from our Colonies were admitted into the United Kingdom at half the rate of duty charged upon foreign wines. At that period Mr. Gladstone introduced the Alcoholic test, which admitted light wines at one shilling a gallon duty; but as he withdrew the preferential tariff that had been in force, our Colonies have since had to compete on equal terms with European countries. You will hardly credit me when I state that at the present time no difference is made by our English Custom House authorities in the amount of duty exacted between European and Colonial wines. Remember that we have on record a most valuable precedent, illustrating that Statesmen previous to 1860, so framed our commercial treaties as to foster our colonial trade, and I feel, Mr. Chairman and Gentlemen, I am not asking too much when I appeal for your hearty co-operation to obtain a lower duty on colonial wines, or better still, their admittance Duty Free!"

A general discussion on the whole question was then entered upon, and among those who took part in it were Mr. M'Fie, Major-General Dashwood, Mr. Rose, Mr. D. C. R. Dawson, the Hon. H. Holbrook, of Canada, and Sir D. Smith.

Mr. HENNIKER HEATON, M.P., briefly congratulated the League on the success of the meeting, and on their having included in their programme the great question of securing cheap postal and telegraphic communication.

SIR C. TUPPER then proposed the following resolution:—"That this convention impresses upon the empire the unlimited productive resources of the world-wide realms under the British flag, and their full ability, on the expiration of adequate notice for development, to supply the needs of the mother country and the other portions of the Empire in every substance required by any British subject independently of foreign nations. It urges the concentration of all patriotic efforts in Britain and Greater Britain upon pressing this home on the minds of the people, with a view to the extension of inter-British trade, the territorial security of her Majesty's possessions, and the personal advantage of each individual." In supporting it the High Commissioner said:—"I regard our discussions of to-day as of great importance to the material welfare of the Empire, and I agree most cordially with the terms in which the Right Hon. Gentleman who presides has presented this great question to your attention. It is a question that involves neither an avowal nor disavowal of either Free Trade or Protection, but it is a question upon which the strongest theoretical Free Trader, and the most ardent Protectionist may unite and stand shoulder to shoulder. I have already refused in the Parliament of Canada to

discuss this question of Free Trade *versus* Protection as a matter of abstract principle. I hold that a policy may be perfectly right and beneficial to one country, whereas it may be suicidal in another country, and yet both under the same flag. I also maintain that a policy that in one period of a country's history may be the soundest and best in the world may require to be altered, and changed, and modified when different conditions arise. We have no reason to suppose that, if that great and eminent man, Mr. COBDEN, were alive to-day, he would stand fast by the original theory of Free Imports. We all know that he asked the support of the people of this country to a policy of Free Imports for Great Britain on the ground that he believed, as undoubtedly he did believe, that if England adopted that policy it would be followed by all the other countries of the world.* Therefore there would be no inconsistency in Mr. COBDEN, if he were alive to-day, saying that, as the very basis upon which he rested the policy of Free Imports had proved to be erroneous and unsubstantial, England had a right to modify her policy and to adopt a different course. It is a proud position for any Empire to be able confidently to ask affirmation of the principles contained in this resolution. Here in England we have the centre of the mightiest Empire in the world, with possessions covering one-fifth of the whole territory of the globe; in every clime producing everything that is necessary, not only for the maintenance of man, but also every luxury that he can demand or require. There is no other country in the world that stands in such a proud position or is able to reflect upon such a fact as that in these British Islands alone where the food products annually imported amount to over 200 millions, of which nearly 100 millions are for bread and meat. I say it is a proud fact to know that, whatever she may receive from foreign countries to-day, she has within her own Empire the means, independent of foreign and outside imports altogether, of furnishing herself with everything that her own interests can possibly demand. Under these circumstances I feel that this is a resolution that ought to commend itself to support, and I believe it will commend itself to the great mass of her Majesty's subjects in these islands. I also believe it is a resolution that will obtain united unqualified support in all the outlying portions of the Empire. I need not tell you the pride and the pleasure with which I listened to the Premier of one of the Greatest Australian Colonies, Sir GEORGE DIBBS, when he said he believed that the same policy would meet with a hearty and generous response if submitted to his own or the neighbouring Colonies. I congratulate this United Empire Trade League that the time has come when the outlying portions of the Empire are United in the adoption of the policy it has propounded—when so high an authority as the *London Times* has declared that, "if the Australian Colonies and other portions of our Colonial

* "You have no right to doubt that in 10 years from the time when England inaugurates the glorious era of commercial freedom, every civilised country will be free traders to the backbone." Thus spoke Mr. Cobden half a century ago, and no single Foreign Nation, and no single self-governing British Colony, has followed the free import lead of England, and the more advanced and democratic countries are the most protectionist.

"England cannot be alone among the nations, cannot alone swim against the feeling of the democracy of every country to defend National Industry."—
CARDINAL MANNING.

Empire sustain the policy approved by Canada, the time has come when this question will have to be reconsidered."

In seconding the resolution, Col. HOWARD VINCENT, M.P., reminded the Conference of the declaration by the late Right Hon. W. E. Forster, in 1884, "Well, I am a Free Trader, but I am not so fanatical a Free Trader that I should not be willing to adopt such a policy for the great and important object of binding this great Empire together."

The Hon. Sir GEORGE DIBBS, K.C.M.G., M.P., in supporting the resolution, said he approved of all that had fallen from Sir C. Tupper. Free Trade might have been wise and necessary in Great Britain fifty years ago; but the conditions of life and trade had greatly altered, and the time had certainly arrived when Englishmen should reconsider the whole question. It has been said that every country must make laws suited to its own necessities, position, resources, and convenience. That is the view we took in Australia. A Free Trade policy may be suitable at a certain time and up to a certain point; but it does not follow that, like the laws of the Medes and Persians, it is a policy which altereth not. It seems to me that the time is coming when England must reconsider her position in this matter. Remembering the old adage that blood is thicker than water, and viewing the whole circumstances, I admit that I feel myself personally bound to the warmest advocacy of this resolution.

The resolution was then put, and carried unanimously.

In response to a vote of thanks for presiding,

The CHAIRMAN said what the League had endeavoured to do was to place a distinct policy before the country, and to show the people that it was practical. The great difficulty they had had was as to whether the Colonies as a whole would be prepared to carry out that policy, but seeing what had taken place at the Conference, and that among the many Colonial representatives present not a single syllable of dissent had been uttered, he thought there could no longer be any doubt on the point. He thought, therefore, they were now in a position to approach the Government with a view to an Imperial Conference being convened on the question.

The proceedings then terminated, the Conference having lasted several hours.

II.

On June 28th, 1892, and following day,

THE SECOND CONGRESS OF CHAMBERS OF COMMERCE OF THE EMPIRE *

was assembled in the Hall of the Merchant Taylors' Company. One hundred and thirty-six Chambers of Commerce were represented, under the presidency of The Right Hon. Sir JOHN LUBBOCK, Bart., M.P.

* *The London Chamber of Commerce Journal*, and that valuable organ of British trade, *The Mercantile Guardian*, 46, Watling Street, E.C., of July, contain full reports of the Congress.

The LORD BRASSEY, K.C.B., moved "That in the opinion of this Congress it is expedient that arrangements should be devised to secure closer commercial union between the Mother Country and her Colonies and Dependencies."

The motion was put and unanimously adopted.

The Hon. Sir CHARLES TUPPER moved an amendment to a Cobden Club resolution, in the sense put forward by the Montreal Chamber of Commerce, mainly composed of French Canadians. "Whereas the British Empire, covering one-fifth of the habitable globe, with a population of 350,000,000, can amply supply the home market with productions of every clime at the lowest possible cost, and, whereas a national sentiment of mutual interest and brotherhood should promote more extended commercial relations between the Mother Country and its many Colonies and Possessions. *Resolved* :—"That in order to extend the exchange and consumption of the home staple products in every part of the British Empire, a slight differential duty, not exceeding five per cent. should be adopted by the Imperial and Colonial Governments in favour of certain home productions against the imported foreign articles." Sir CHARLES supported the motion in a powerful speech, in the course of which he said :—" I do not intend, on the present occasion, to say anything with reference to the great American Republic, at which, I think, any offence could justly be taken ; but I am bound, after what I have heard in this hall to-day, after the suggestion that we must speak with bated breath in the presence of a Presidential Election in the United States—I am bound to say that that is an utterly mistaken policy. There is no nation, there is no people on the face of the globe that understands or respects any country better than when they see them adopting a wise, judicious, and independent policy in their own interests. They have done it themselves. Have your efforts at conciliation, have your efforts at inducing the United States to treat this country with consideration, and with such favour as you are granting, made any alteration ? What is the fact ? In 1890, England took from the products in the United States of America ninety-seven millions sterling without the imposition of a farthing of duty. How much did they take in return ? Thirty-two millions, so that two-thirds of what they sent to this country was required to be paid for by sending cash out of the country as they would not make an exchange. They adopted a policy that as I say did not make a return of one-third to this country in the shape of products. Were they satisfied ? Not at all. They sat down and constructed the McKinley Tariff. With what view ? To see how much they could reduce the paltry thirty-two millions of the products of this country that they were receiving. By a stroke of the pen they knocked of ten per cent. of that paltry thirty-two millions. Now, that does not appear to me to show any wonderful appreciation of the treatment that they were receiving in this country. But what more did they do ? They, like a great octopus, threw their tentacles over the whole of South America, and the West Indies, with the determination to drive British trade out

of that country, and they are going to do it. Read the language of the British Consul in Brazil, and what does he tell you? He tells the people of this country:—"You must make up your minds to lose the Brazilian trade because the United States has got hold of Brazil under the reciprocity clause." By doing that they have done a greater wrong to this country than their imposition of the McKinley Tariff and knocking down the small amount of the products of British Industry sent into the United States."

Supporting it Mr. J. L. POLLOCK, of the Paris British Chamber of Commerce, said:—"I am a Free Trader, but I am a Trader! I am not a one-sided Trader. I am a Free Trader if anybody will trade with me, but I do not consider one-sided trade, trade at all. We are bound as a nation to find occupation for our working people."

In like sense, The Hon. W. R. ESPEUT, of Jamaica, declared:—"One gentleman says the grandeur of the British Empire to-day is due to the adoption of free trade nearly fifty years ago. Who can prove that? Who can prove that none of that grandeur is due to the fact that dozens of your starving population, who were a burden to you here, are now wealth producing and consuming members of the empire in other parts of the empire? Who can prove that it is altogether free trade? Has education done nothing? Has improved transport done nothing? Has the enormous increase in the number of your consumers, of your blood and kindred abroad done nothing to place you at the pinnacle that you now occupy? How can you prove it is all free trade? Let us suppose that you had adopted the same system that they have adopted in France and the United States and Germany, who can say you would not be even greater than you are now? * You have tried the experiment for fifty years. Can you tell me how much of the direct taxation which is now crippling your people in England, killing them, bringing their noses to the grindstone, aye! and starving them, is due to your free trade? What is the good of a free trade if it kills your means of employing your people and driving them to starvation for want of wages. What good is it if you have free trade food, if your people can find no labour to earn wages at? What will be the result if we are to allow German goods to take the place of home manufactures in England? How many things are there in this room on which, if you look, you will not see the words, "Made in Germany"? You properly and rightly revile the sweater, but you forget that the unfortunate British employer is driven to torture his work-people, and to sweat them because of the keen competition which you allow almost to kill him by the protection countries. Why not give him a fair chance, and you can only give it to him by levying one Imperial 5 per cent. differential duty in favour of British production wherever it may come from, no matter where. Let us all be on that footing, and then we can fight the foreigner, and I think we can beat him."

* Every £100 of English Foreign Trade in 1854 became under Free Imports £276 15s. 6d. in 1889, but every £100 of the Foreign Trade of the 10 principal Continental Nations became under Protection in the same 35 years £364 10s. 1d. (*Parliamentary Paper 262 of 1891.*)

The PRESIDENT of the NOTTINGHAM CHAMBER OF COMMERCE said :—
 “ We are simply in the humiliating position that we in our manufacturing towns—Nottingham, Bradford, and Manchester—see foreign goods filling the shops ; we see our own workmen unemployed ; * whilst the foreign article is sold in preference to the English.”

Mr. TONKS, of Birmingham, added—“ The arguments which have been offered us by the ablest advocates of Free Trade have been so disappointing and so contradictory, that we may fairly go to our Colonial brethren and say “ We will join you in the effort to produce Federation on the basis of commercial interest.”

Mr. J. H. BUCKINGHAM, of the London Chamber, said—“ No man is a greater Free Trader than the man who speaks to you to-day, but I say frankly that I am only prepared to argue this question upon the broadest possible basis, and I ask, is it fair, is it just, to let the Germans, who can buy their raw material in the same market with you, and who pay much less wages for labour than we have to pay, and whose climate is in many cases superior to our own climate—is it fair and just to let them say to me when I want to send my goods to their country, ‘ You must pay 30 per cent. before you can do so, but we can come into your country free ? ’ I am prepared to argue this question upon a simple broad common basis. Speaking as a manufacturer, I scorn the word protection as a Free Trader means it. I do not want you to send an army of soldiers to guard my factory, I do not want protection of that kind. But I want that we should all be equal. You buy your raw material as I buy mine. You are allowed to come to my country, but I cannot come to your country. All I want is fair play and justice, and then I will scorn all the manufacturers who are against me. That is what I call fair trade.”

Mr. RYLANDS, of Barnsley, said—“ One gentleman told us how very easy it was at present to collect our customs duty under what we call Free Trade. It is so very easy, gentlemen, to collect 50 per cent. duty on the tea which the poor working girl has to buy, and to allow her rich sisters’ silks to come in free. It is so very easy to collect only 10 per cent. on the French wines and to collect on British beer 25 per cent. : it is so very easy to tax the working-man’s tobacco from 500 to 600 per cent. and to allow Swiss clocks, German pianos, French silks, and French watches to come in free. It may be easy, but it is a great injustice ; and whilst we would like to see the time when there should be no commercial war between the nations, it is like hoping for that era of universal peace which may come some day, but never will come until some nation is mighty and strong enough to say, ‘ We will put an end to this sort of thing ; ’ and by the same process, if we want to see the end of commercial war, let us no longer continue our system which puts £150,000,000 of taxation yearly on our own home producers in Imperial and Colonial taxation, and which allows the foreigner to use our market free.”

* The *Sheffield Independent* (Radical) writes on August 13th, 1892 :—“ Large numbers of men are absolutely out of employment, and many are scarcely earning enough to obtain the bare necessities of life. At several of the principal establishments the men are only making 3 or 4 days a week, and at others the work of one man is divided amongst several of them.”

Mr. M. C. ELLIS, of Toronto, said:—"In 1879 the United States exported 180 million bushels of wheat or its equivalent, and in 1889 this sum had fallen down to 90 millions, or a decrease of one-half in that period; and, therefore, it is not extravagant for me to assert that with the enormous increase of the population of the United States, which it is said requires 1,850,000 acres of arable land to be added yearly to keep pace with the increasing consumption of that country, it will be but a few years when Great Britain will not need to look to the United States for her food supplies, but that Canada will be the country which will supply her with the necessary supplies of corn. I have made the assertion that we have a Dominion in which to grow the food supplies of the Empire, and I wish to state that if a discriminatory rate is made in favour of the food production of Canada that the emigration which would be attracted thereby, enjoying the enormous advantage in the favoured regions having a discriminatory rate given them, as against all other foreign nations, will flock to Canada and to those Colonies enjoying that preference, and that you will have in Canada and in the other Colonies a large increase of the population of British subjects, who will become, instead of aiders in building up the manufactures in opposition to you, purchasers of British manufactured goods, and help to give your artizans and mechanics full employment, and a large loaf."

The PRESIDENT of the CHAMBER OF COMMERCE of SHEFFIELD, said:—"It is a great mistake on the part of some eminent men at the present time to think that we swept away all our duties in 1846. That is not the case. I have examined the tariff of 1859. If you examine that document you will discover that our policy during the whole period cannot be treated as the same thing. There have been two distinct policies from 1846 up till the present time. We had a policy of differential treatment for the Colonies from 1846 to 1859. It was swept away by the French treaty."

Mr. J. PERRAULT, of the Montreal Chamber, said:—"There is no country to-day in Europe, except England, that has not differential tariffs. In the United States there are differential tariffs. We colonists, alone, stand in this position with the Mother Country, who does not give us a single advantage over her bitterest enemy whenever she deals commercially with us."

Mr. WM. PRIEST, of the Birmingham Chamber, said—"The only market for the British West Indies was, of course, the United States of America. What has transpired is this. Mr. McKinley has found out that he has a good customer in the British West Indies, and he wants the West Indies to be a good customer, and he says, 'If we take sugar free of duty we shall require you to take some of our American manufactures free of duties, or subject to some reduction.'* The Cobden Club

* Twelve such Reciprocity Treaties have been concluded by The United States, and others are in negotiation. Under them 2000 productions of America are admitted by the nations concerned either free or on better terms than from Great Britain or other countries.—(*Message to the Senate, June 27th, 1892.*)

"The weapon with which they all fight is admission to their own markets. We begin by saying 'We will levy no duties on anybody'—for the sake of what we can get by it. It may be Noble, but it is not Business."—MARQUIS OF SALISBURY, *May 19th, 1892.*

is never tired of telling us that our system of Free Trade gives us the command of the neutral markets. Where is the command of those neutral markets? Is it not rather an object lesson in political economy to see Free Trade England suffering from the tariffs of protectionist countries, and protectionist America forcing Free Trade by her very protection?"

The amendment was lost by a narrow majority, forty-five Chambers not voting.

The following resolution was then proposed by Birmingham:—
 "That this Congress is of opinion that every effort should be made by Her Majesty's Government to promote closer commercial relations between the United Kingdom and her Colonies and Dependencies, and to this end desires the abrogation of the European treaty clauses which at present hinder the same;" and carried unanimously.

The following motion by Mr. NEVILLE LUBBOCK, of the London Chamber, as slightly amended by SIR CHARLES TUPPER, "That a commercial union with the British Empire on the basis of freer trade would tend to promote its permanence and prosperity," was then brought forward.

The Hon. W. B. ESPEUT in seconding it on behalf of The Institute of Jamaica, said: "Free Trade, of course, we would all desire, but I cannot quite see how we are to get it if we do nothing. If we leave matters in the identical position in which they are now, I am afraid the Freer Trade will be a long time coming. I am a scientific Free Trader; I believe in science in the scientific meaning of the word. I cannot say I believe in the Free Trade that is practiced and preached in England, because I do not consider it Free Trade at all for one nation to open wide its doors and say: "Bring everything that you have got here, we will give you the very best price for it"! When some of those people barricade their doors against the British and say: "You shall not sell your goods here at any price at all." Now my resolution tended in this way. I say that a Commercial Union between all parts of the Empire must tend to the prosperity of the Empire, and that if it is accompanied by an imposition of differential duties on the imported manufactured goods from countries which levy protective duties against British productions, that such a course would tend to hasten the adoption of true Free Trade amongst all countries desiring to trade with the British Empire on fair and reciprocal terms."

In supporting the motion, Mr. R. R. DOBELL, of Quebec and London, urged the Congress to consider whether the present policy of Great Britain was calculated to secure a reduction of foreign duties.

The motion was then put and carried unanimously.

Thus we see

THAT THE EMPIRE IN CONFERENCE—
 STATESMEN AND MEN OF COMMERCE

coming from every portion of the Realms of Britain, representing

every class, creed, and interest, unhesitatingly and with practical unanimity,

URGE THE DEVELOPMENT OF TRADE
WITHIN THE EMPIRE
UPON MUTUALLY ADVANTAGEOUS TERMS.

SHALL THE NARROW AIMS
OF
A POLITICAL PARTY AT WESTMINSTER,
OR
THE FETISH OF AN OUT-OF-DATE ECONOMIC
TRADITION,
BE SUFFERED
TO BETRAY THE TRUE INTERESTS OF BRITISH
PEOPLES, PRESENT AND FUTURE?
NO! THIS MUST NOT BE.

As *The Times* declares,

"MAN WAS NOT MADE FOR FREE TRADE."
UP, THEN, ENGLISHMEN,
AND
CARRY THE STANDARD OF "THE UNITED EMPIRE
TRADE LEAGUE" TO VICTORY.

Sir CHARLES TUPPER writes in *The Fortnightly Review*:—"The friends of Inter-Imperial Trade have the most abundant reasons to be satisfied at the immense and rapid progress which this idea of preferential tariffs has already made, and they may confidently anticipate at no distant day the inauguration of a policy that will strengthen the ties which now unite the Colonies and the Empire, besides greatly developing and expanding the trade of both."

THE POPULAR FEELING IN GREAT BRITAIN
as shown in the General Election was described in the subjoined letter to *The Times*, the statements of which have been wholly unchallenged:—

"SIR,—Many are putting forward in your columns the causes to which they attribute certain results in the general election.

Among these some assign blame to the growing feeling in favour of home industrial protection. It is just possible that in one or two impoverished rural districts, from whose low wages and precarious employment, the bulk of intelligent youth and middle age have migrated, that mendacious literature and false assertions, hauntingly met by undecided opinions at variance with individual common sense, lost a few votes to the Unionist party. But the recent declarations of Lord Salisbury—rendered necessary by an export trade tumbling head over heels, by exclusion from market after market, by helplessness in commercial negotiations, by a daily increase in unfair foreign competition, restricting labour and its remuneration, gained far more Conservative voices in the great centres of population. Personal instances of this in Yorkshire, Lancashire, and Northumber-

land are many. Mr. Hamond's great victory at Newcastle stands out in striking evidence.* Personally I made my appeal to Central Sheffield almost entirely "on the ticket," and so strong is the working-class feeling on the subject that the Borough Conservative Council was able to "star" from the central to outer divisions over 700 duplicate Unionist votes, while my majority was only 144 short of a thousand. In corroboration of this comes an extract from the resolution of the St. Peter's Conservative Club:—"The members recognize that, independent of individual effort on the part of working men, Colonel Vincent's return is in great measure due to the hon. member's untiring efforts to obtain for the working classes of an industrial community such protection from foreign competition and prohibitory tariffs as would enable them to enjoy the fruits of their own industry."

The Right Hon. James Lowther, Mr. Muntz, Mr. Staveley Hill, and nearly all the advocates of the development of closer trade relations within the Empire—as urged by the Empire Trade Convention and the Imperial Congress of Chambers of Commerce held last month in London, urged also by the Canadian Legislature, by the Premiers of New South Wales, Cape Colony, and Queensland—not only kept their seats but in many cases increased their majorities.

The tax upon "foreign" (*i.e.*, not colonial) corn which so many fear to tackle—what does it amount to? Nothing at all, if only people will remember and explain to the electorate that, with the wheat growing area of the world under the British flag in Canada, Australia, India, and South Africa, the free supply of corn to the United Kingdom in limitless quantity is certain for two centuries without the aid of Yankee or Muscovite; indeed, as it is, the vast corn plains of Indostan now rule the wheat market, and neither a Chicago corner nor the diminishing surplus supply of Western America. Moreover, corn is now taxed in this country and heavily, but it is the fast-diminishing home-grown corn, by land tax, poor rates, income-tax, and other Crown and local dues. Calculate with all the subtle ingenuity of the Cobden Club, throw in all the perverse imagination of the Radical orator, and you cannot reduce the charges upon British or Irish Grown corn below 4s. a quarter, and in many cases it is much more. The British farmer pays market toll also in most cases for his ducks, and chickens, and other produce.† The Englishman is taxed and rated from his cradle to his coffin. Only the dearly-beloved foreigner is free in England, and his gratitude is expressed in ever-heightening tariff wall reared against England. It is time we altered this, and, having already turnpikes at the ports, and collectors who examine cases of imports as rigorously as in any country, that we authorise them to levy a moderate toll for the use of the market in reduction of domestic taxation. Such I believe to be the feeling of a large majority of that great artizan community who furnish the backbone of the Unionist party, and by whom antediluvian electoral cartoons of big loaves full of gas, air, and water, little work and less pay, are treated with the contempt they deserve. Is this to be wondered at when, as your columns announced on Thursday, an official enquiry into the results of protection in the United States shows that while the cost of living has increased in the United Kingdom during the last 18 months by 1·9 per cent., American wages are 77 per cent. higher than English—that is, for every shilling earned here by the artizan, he would get 1s. 9d. in America?

I am, Sir, yours faithfully,

C. E. HOWARD VINCENT.

Carlton Club, July 23, 1892."

* Under date July 25th, 1892, the Hon. Secretary of the Newcastle-on-Tyne Conservative Association writes: "I believe the success achieved by Alderman Hamond in the recent election, was not a little due to the strong line he took in the question."

† It has been calculated by a high authority that the Imperial and Local Taxation on the breeding of cattle is in excess of 15 per cent.