

STP 1421p

PAPER READ

BY

G. H. JONES

BEFORE

THE BRITISH CHAMBER OF COMMERCE

PARIS



1903

Bibliothèque Maison de l'Orient



129976



Commercial
The Policy of the Empire

The question we are considering is of momentous importance; Viz, The Fiscal Policy of the Empire and I propose to treat this as it concerns the inhabitants of the Empire, leaving for a future occasion the study of the Empire's Fiscal policy as applied to Foreign nations, which involves the principles of Free Trade and Protection.

To attempt to speak of the two aspects of the case would require much more space than we have at our disposal. Mr. _____ has given us a vivid description of the magnificent meeting, at Montreal, which he attended as delegate. He has helped us to realize the immense enthusiasm, of all the delegates, for the consolidation of the Empire and has laid stress especially on the unanimous voice of all the Colonials in favour of that Grand Ideal.

All this must fill our English hearts with legitimate pride.

We are one as regards the goal and it can only be in the choice of roads by which to attain the Pisgah height, that difference of opinion will arise. No Englishman, or Colonial, can desire anything more noble than that the heart of the whole Empire should make but one harmonious movement.

The plan put forward to attain our object is, *Preferential Treatment to our Colonies*. This means a change in our policy which has been in force ever since we lost our American possessions. Till that unhappy time, English policy was to keep

in dependence upon the Mother Country any and every colony; but since we received that disastrous blow we came to the conclusion that people of our race who go far away from home to found another country, are of the same mind as ourselves, and will not consent to be kept in strings and directed, even by parents when going to explore such distant and dangerous lands. The consequence has been that we have inaugurated the new and glorious system of Self-Governed Colonies, under the ægis of the Empire. Herein we can have the assurance that our race will last for all time.

These new Governments have devised policies agreeable to themselves, generally on the Protectionist basis of encouraging the foundation of industries and guarding them against the foreigner, or fellow subjects in other parts of the Empire, by heavy custom duties. Thus, to-day, we see in nearly all our Colonies, manufacturers and artisans who are as determined to consider their own interests only, as any of their class in any foreign country we can name. I have no word of blame to utter. It is but human; and as long as the state of things in each Colony will admit of the system so long will it continue.

When, however, the land begins to fill and work outside the frontiers becomes necessary then a different policy will have to be thought of. When the teeming millions of workers on the land arrive, they will look about and ask why they should pay 20 dollars for a suit that could be obtained for 10, and why they should pay double the value for the implements necessary to their daily struggle. Oh! then they will say they cannot continue to enrich the manufacturer in the towns in such a manner and their voice will be heard crying "Down with the duties on the necessaries of life and occupations."

Now, it is proposed that we, at home, should bolster up these lands in the fiscal policy they have adopted, and thus encourage them to continue a selfish organisation that tells against our own people. We are asked to put a duty on natural produce that comes from foreign countries but to allow the same, coming from our Colonies, to enter free. This is an

astounding piece of magnanimity. *We are to tax ourselves for the sake of those who tax us now.* I do not question their right to tax us, but I must demur when they plaintively ask me to tax myself for them. Altho' I am inclined to think of them, as children who have wandered far and carved out for themselves a new existence, still *I feel bound to consider those others members of the Empire who cannot, so easily, call upon Mother Earth to give up her bounteous store but who have to obtain, from every quarter, parts of this store and fashion them, in the sweat of their brow, into something useful and shapely and distribute it over the face of the earth.* It this cannot be accomplished Woe to, the English Artisan.

Could we obtain the removal of the barriers that prevent our English workman's goods entering the Colonies, there would be a semblance of an argument for this Preferential Treatment to Colonial produce. Any such hope is evidently vain, and therefore the idea of rendering our workmen's life dearer and more burdensome becomes rank cruelty. *You must all realise England's position as being more dependent upon foreign trade than any other country, and to ensure this vital export of manufactures, anything that tends to increase the cost of making must be avoided.* Our territory is limited, and many say overcrowded. We cannot increase the produce of the soil to any appreciable extent. It is useless to argue that people should go back from the town to the country. If there were room there for them the increased numbers would immediately reduce their wages, which are none too high even now.

You might say "send them to Canada" but I ask *who amongst you has any right to send people away that do not wish to leave the land of their birth.* No! We have to do with a state of things that will last and we must make the arrangements best calculated to serve the interests of our present position instead of attempting to legislate for another combination of circumstances, that will not come in our time, even if, in the distant future, they replace what we now see. Well then, as we stand, can we for a moment entertain this new creed which means imposing a sacrifice on our home workers and allowing our

colonies to continue their selfish arrangements! To put the question is to answer it, for anything more unnatural is not conceivable. I do not doubt but that a tax such as is proposed would be a great boon to our colonies, but I maintain that it would be a gross injustice to our home population, and I fail to see on what ground this injustice can be justified.

You may say that even did we give this Preferential treatment to our fellow-subjects, the necessaries of life would not be increased in price in England. If such an impossible thing could result, how would it be of advantage to the Colonies? If wheat and wood and wool remained at present prices, what could Canada and Australia gain? *Such a supposition as that produce which pays a tax on entry will not increase in price, is preposterous.* We hear the argument that 'at such times as duties have been imposed, prices have often declined, and this, to many minds, disposes of the difficulty. Such people are too indolent to look further into the matter and to inquire if the phenomena of Scarcity and Plenty have anything to do with the fact. Suppose, for a moment, wheat is quoted at 34s. and a tax of 2s. is applied, is it not a fact that the price would immediately advance to 36s.? This price would apply to all wheat whether home, foreign, or colonial. Now, let us suppose that the harvests of America and Russia and Argentina be prolific, and that other occasionally importing countries, such as France, should also be blessed with an abundant yield, thus not requiring to import; then the above duty of 2s. would apparently cease to operate, for we could purchase our wants at our own price. Even then our people would have to pay those 2s more than they would under present circumstances."

I need not detail the other side and calculate how scarcity in producing countries would influence the price, only to say that to the natural price would always be added the amount of the duty. You must remember that the produce of the soil is not regulated as can be the output of a mill. The farmer tills his land and plants the seed, and there his influence ends; fickle nature does the rest, bringing in a

varying crop, sometimes too much, some times too little but rarely just enough.

Therefore it is quite true the price of wheat does not depend upon the tariff figure, while it is equally true the price obtaining is influenced to the extent of the duty paid.

Now then, we must reject the plan of Preferential treatment to the Colonies as being contrary to the interests of our home working classes, and here, I am glad to be able to say this view is held by the working classes in Canada, who disclaim any new measures that would result in disadvantage to their comrades at home. It would appear that such also is the latent meaning of the order of the day, with which was settled the great discussion of the assembled delegates at that historical meeting at Montreal.

Were I to stop here you would rightly say that my policy is a poor one; nothing but the "laissez faire" system, and does not respond to the desire of our hearts, which is, to find some means of binding together our immense and scattered lands, making our Empire "One and Intangible".

I will now offer my suggestions with that object in view.

What is the first necessity of any country? Surely, it is security from aggression! Without this, will a man cut down the trees of the Virgin forest and put in their place the seed that brings forth the golden plain in harvest?

Can the artisan find regular work if the yeoman does not dare to do that hard and solitary pioneering work, which requires some years to repay his efforts, from fear of being robbed of his land, if not of his life?

And whence comes the security of Canada, Australia, New Zealand and South Africa? Surely, from the mother country and thus a heavy burden is already laid upon our English people.

Calculate the cost to each inhabitant at home; compare it with that borne by each Colonist, and ask if there is no preferential treatment here! Yet, do you hear one English voice objecting?

No! for the glory of our Imperial position is considered sufficient recompense by our noble stock at home. And even still we are ready to do more. We would gladly encourage the formation of direct lines of transport, that would ensure to the Colonial the full price his produce would be worth in England, instead of a considerable portion being left "en route" sometimes in the hands of the foreigner.

We can, and do, considerably help our children by lending them some of our accumulated wealth, just as a wise Father does to a Son who shows his aptitude to put it to a good use.

We can also help forward our Colonies by encouraging, not forcing, others of our homes to go across to join and aid the forerunners. Here, I would say, the Colonies will help themselves by exhibiting to their English relatives a love and respect for the Motherland. They will not aid this exodus by insisting, too much, upon the absolute independance of the Colony, so leading us to look upon them as almost foreigners.

I think I have said enough about material help and will now conclude with a few words on other lines.

It seems to me that, as the lot of humanity is cast, our Colonial brethren hold a favoured position.

We have seen them on a Virgin soil, protected from aggression at the cost of others, protected also from their brothers' handiwork by tariff dues that are enormous. The fear, to my mind, is that "much will ask for more" till they will think that all exists for them and them alone. But even here a moral antidote is at hand. Yes, their mother England appears, bright, and diffusing a renovating glow like the sun as it comes above the sea and mountain. There she stands in all her moral beauty, holding high and firm the flag of liberty; liberty of thought and speech, liberty of pen and Press and liberty of trading. As a beacon light she shines o'er lands and seas, calling to all her offspring to be true to her grand teaching. What is her teaching? Surely, that the whole world is the Lord's and that its produce is for MAN. *Nature's gifts belong to humanity, and all barriers that separate the gifts from man must disappear.* Yes! England's teaching

is, more and more, the Brotherhood of Man, the removal of causes of dispute and strife, the peaceful enjoyment of Earth's treasures made more general ; by breaking down the wretched obstacles that deluded man has raised. When this true vision of our dear old land is seen, standing alone, the one bright spot amidst the encircling gloom of backward nations ; then does the heart of the Colonist beat high, and a sense of delight and pride pervades him at the thought that he, also, can claim a share in his Mother's glory, and "**The Empire is Cemented**".

G. H. JONES.





Imp. P. JOUET, 80, Rue des Archives
PARIS