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THE SITUATION.

South Victoria has elected Mr. Fairbairn, the anti-Commercial Union candidate. It is difficult, when local questions present urgent claims, to get a decision on a single trade issue, whatever its magnitude, and it is said that a disturbance of this kind, in South Victoria, had a strong deflecting influence. This may be true; but these side issues always tell at a general not less than at by-elections. The trend of the by-elections since 1887 has been all one way; politically speaking they went in favor of the Government by more than four to one, 43 against 10. The Commercial Union issue has not been on trial in all these contests, but in a majority of them it has been more or less prominent, often being presented as the main question to be decided. Except as a casual indication of opinion on the commercial issue, the result of a by-election has no significance; it can have no effect on the total vote in a House constituted as the present is. But if both sides do their best at these isolated elections, some measure of the relative strength of Commercial Union is obtained. These repeated defeats do not present a favorable augury for the cause when the battle shall be waged along the whole line, though of course they cannot be held to be decisive of the result.

At a meeting of the Compton Farmers' Institute, Mr. Carling spoke on the markets for Canadian produce for the last three decades. The figures showed a remarkable change in the relative British and American demand for our produce in that time. In 1870 the United States took a very much larger amount (\$14,927,313) than Great Britain (\$9,723,879). Four years later the balance was the other way by over a million and a half. One year later the discrepancy had reached nearly four millions of dollars. In 1876 the tide turned once more, and though the figures were nearly equal, there was a fractional balance in favor of the United States. By 1890 Great Britain took nearly twenty-three millions and three quarters against a little over fourteen millions. The preponderance of Canadian sales in the British market

has continued with varying figures to the present time, till in 1890 we sent to Great Britain \$22,240,548 against \$13,485,727. Hostile legislation in the Republic is largely responsible for the change; under the McKinley tariff the disproportion will grow still larger. This change of markets show at least adaptability to conditions external to Canada, which we did not create, and could not control. This is an encouraging side of an unwelcome necessity; for though it is not always easy to find new outlets, or to improve old ones, the course of the Canadian export trade in the last thirty years shows that it is not impossible. That market is the best for Canada in which she can sell the largest amount of her produce on the best attainable conditions.

Canada, it is now beyond doubt, possesses exceptionally large quantities of nickel, and it becomes a question of importance at what minimum cost it is likely to be produced. An answer cannot yet be given. If the metal can be sold for 25 to 30 cents a pound, as some hopeful estimates suggest, it will be certain to be applied to many uses for which it has not hitherto been thought of. Though the French Minister of Marine tells us, as the result of experiment, that a 30-ton gun will break any armor plate that has been made, the fact remains that the navies of the world are still depending upon them for their protection. The French Minister's statement was made after experiments at Le Creusot, and the aim of the Washington tests has been to use plates made of alloy as nearly as possible identical with the French nickel-steel. The latest American experiments are said to show that the tensile strength of nickel-steel is nearly double that of the best grades of boiler-plate steel, and it is possible that still better results may yet be attained. So long as naval vessels have to depend for protection on armor plates, it will be an object to secure the best. The extent of the use of nickel-steel, in one form and another, will depend upon the cost. In Canada, large nickel mines have been obtained at the lowest cost, nominal figures in fact; and this should go far to ensure production at a minimum figure. A patent connected with the treatment of the metal will enhance the cost, but alternative processes are not wanting. The nickel mines are too widely extended and the ownership too varied to render possible a monopoly of the raw material.

The death of the Indian war chief, Sitting Bull, killed by the United States police in an attempt to capture him, removes a formidable antagonist out of the way. War was in the air, and war directed by savages fired by religious fanaticism, believers in the speedy coming of the Indian Christ, would have been waged with the highest degree of ferocity. A desire to avenge the death of their leader undoubtedly exists among the American Indians, whose emissaries may cross the border line into the Canadian North-West, where as yet, however, but little uneasiness is felt. Gabriel Dumont, rightly or wrongly, is credited by Americans with mischievous

designs, and both he and the Canadian Indians will require to be watched. Sitting Bull is variously described as an imposter and a sincere fanatic, who believed in the coming of the Indian Messiah, who was to give his race the mastery over the whites. Superstition is a predominant element of the Indian character, and Sitting Bull was probably sincere. It looks at present as if the United States authorities, by anticipating the action of the Indians, had ensured peace, or a speedy crushing of the hostiles, if war should break out. The fanatical outbreak, with its accompaniment, the ghost dance, is reported to have extended to Canada; and it is probable that a blind faith that believes in the invulnerability of Sitting Bull, would survive his death. Now that he is dead, some Indians delude themselves with the belief that signs have appeared which indicate that he was the Messiah. The situation may give cause for anxiety, while it imposes the duty of keen watchfulness.

Heretofore Chinamen smuggled into the United States, from Mexico or Canada, have been liable to be returned to their native country by the American authorities. If a recent judicial decision on the question be sustained, this practice will cease, and contraband Chinese will be sent back to the adjacent country from which they last came. The decision was given by Judge Moxley, of the United States District Court of Western Texas. Unless the legal doubt be settled by legislation, the case will probably go to the Supreme Court. Under the present decision Canada is liable to have sent into her borders Chinamen who may have no right under our laws to be here, and the spectacle of the buffeted fugitive standing on the middle of the railway bridge which spans the Niagara river may find frequent repetition, with variations. When a fugitive who passes from this to the other side has paid the Canadian duty, we are in no way concerned in his exchange of countries. But if Canada be merely used as the foreground of entrance into the continent, with a view of the contraband's final residence in the United States, the comity of nations requires that we should not wink at, much less facilitate, a traffic of this kind. It is what we would not like to have done to ourselves, and the golden rule would be the best guide for our conduct in the premises.

An attempt has been made to forestall the enquiry into the conditions and practice of international commerce between Canada and the United States. Before the committee which has the question under investigation has reported, Mr. Burton, of Ohio, shows his impatience, or that of his prompters, by attempting to smother hostile evidence by a bill which necessarily pre-supposes that no enquiry is needed. The action of the Congressman is irregular and erratic; but he may at least plead that the committee, before it entered on the enquiry, did in effect assume the necessity of legislation, and he may reasonably conclude that the hearing of witnesses is, under the circumstances, an admitted waste of time and labor. But, on the whole, it