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TORONTO, FRIDAY, NOVEMBER 16, 1894.

THE SITUATION.

Dissatisfaction with the marking of Canadian cheese which does not give the date of the make, is finding expression among English importers. The complaint is made that June cheese is sent out as fit for market in September, when it is in fact too green for use. This representation is, without circumlocutory phrase, branded as deception. If this charge be true, the practice must be abandoned. If the enforcement of penalties, or even an alteration of the law of marking be necessary, the great interest at stake requires that this should be done. Canada, by years of careful effort, has established her reputation as one of the foremost cheese making countries in the world, and her good name must not be tarnished by the dishonest tricks of trade, the work of individuals. There is nothing to show in the complaint made that the cheese has any other fault than want of age. All that is needed is that it should have time properly to mature. It has now begun to be recognized that cheese may be too old as well as too new. There is no danger that makers or dealers will elect to keep it too long. If individual consumers choose to do so, that is their own affair. This is the first time that we have heard any complaint against any Canadian cheese-makers or dealers, and we may reasonably conclude that the practice complained of has not gone far. In the past we have encountered a more serious difficulty in the form of fraudulent marking of American cheese as Canadian, against which measures of protection were taken.

Special enquiry into the alleged mixing of wheat, graded as No. 1 hard, at Port Arthur and Fort William, is being made on the spot, by an officer of the Inland Revenue Department, Mr. W. Gerald. When a standard is fixed, the chief requirement is that all samples which pass as No. 1 hard, or any other denomination, should not fall below the standard which it is required to attain. Does it therefore follow that if some grain, in its natural state, is found above the requirement, a reduction to the standard is not permissable? When a purchaser bargains for No. 1 hard, he is entitled to get wheat which comes up to that standard as fixed; is he entitled to say that if the wheat was originally above the standard it shall not be reduced thereto? Any number of grading must be up to the standard set for that number—it cannot be below; is there any more reason that it should be above than below? If weight alone were the guide, there would be no difficulty; for all that would be required to make the requisite weight would be more of an inferior quality. But this will not do when the object is to get a certain standard of quality. If the contention be set up that No. 1 hard, though it attains the standard, shall in no case have reached that level through reduction, it is doubtful whether it can be maintained, for that would be not merely to exact compliance with the standard, but something beyond it. It seems clear that nothing beyond or below the standard can be made the rule; for this would be to abandon the standard, and to put deviation from it in its place.

France's protectionist policy, after a trial of two years, has resulted in reducing her exports between forty and fifty millions of dollars. She made the mistake of supposing that she could curtail her imports without producing reflex action on her exports. She failed to see that while the imports employed directly in their production foreign labor, they indirectly employed home labor to produce for the purpose of exchange what the foreign labor required to supply their wants; she failed to recognize that in order to stimulate exports she must herself import liberally. She now finds by experience that when she puts obstacles, in the form of excessive duties, in the way of imports, she not the less diminishes her own exports, which it was her object to increase. But that she will profit by the lesson does not at all follow. She may attribute the decline in her exports to anything rather than the true cause; being convinced against her will, she is not unlikely to remain of the same opinion still. The result is, however, not one of chance; it was foreseen by keen-sighted economists and predicted just as it has happened. This pervision gives certitude to the correctness of the laws and the method by which it was attained.

Government finance, in Australia, is following the disastrous fortune of commercial finance, which reached the unprecedented catastrophe of last year. Victoria has a deficit of over $11,000,000 (£2,373,000) and New South Wales over $7,000,000 (£1,465,000). This state of the treasuries of these two colonies has an interest for us in more than one way. The deficits form an obstacle to anything like tariff reciprocity, on a descending scale, and they diminish the ability if not the disposition to aid the Pacific cable. The shock given to commercial credit in Australia paralyzed the resources of government. What strength of recuperative power the country may develop remains to be seen. Some of the methods of borrowing before the financial explosion will not be avoidable in future, notably the borrowing of deposits in England with which to carry on banking at the Antipodes. A process of repaying has been begun, which is to extend over a long term, and while it continues the revenue of the Government will feel the pinch. It may become a matter of necessity to resort to that form of tariff which promises to yield the largest revenue. The changes are not likely to be in the form of heavy reductions, and the Australian colonies may be obliged to make tariffs to suit their own circumstances rather than with a view to arrangements with other colonies.

Alderman William Temple Stewart has been found by Judge Macdougall guilty of soliciting bribes from a company that had put in a tender for a civic contract which had to be passed upon by his and his fellow aldermen's votes. The ordeal was in the nature of an enquiry, not a trial, and the finding of the judge is not to be confounded with a legal conviction of guilt, to be followed by sentence. Ulterior