

A suggestion has been made that in consideration of Great Britain consenting to agree to the abrogation of the Clayton-Bulwer treaty, the United States ought to make some concession in addition to the neutralization of the Nicaragua Canal. The neutralization, it is said, will be secured as we suggested it ought to be, when the reference in the President's Message was made. If there is to be any compensation, as suggested, there is perhaps not any conceivable shape which it could take to which some interest would not oppose a selfish opposition. Some of the Senators from the Northern States are already up in arms on the supposition that this compensation may be asked, in the form of a make-weight in the reciprocity negotiations, and that the item of lumber would figure in connection therewith. Senator Hale is represented by a press man as saying that England and Canada were offering up the Alaska seals as compensation for some items of reciprocity. It is not Canada that started the new agitation on the seal question, but the United States; Canada opposed a departure from the Paris award, but the persistency of the United States induced her to listen to a plan for her virtual surrender of the whole sealing enterprise to the United States. That right, if acquired by the Republic, implies an equivalent; and when an equivalent is mentioned which does not suit Senator Hale he represents the sealing deal as a plan of ours in connection with England. It is these selfish interests which, pulling in different directions, threaten to bring the whole negotiations to a stand. And the different elements of opposition uniting together, even in Canada, strange as it may seem, are trying to raise a cry against the conclusion of a commercial treaty as something that must necessarily be inimical to the interests of the country.

Once more, relations between England and the Transvaal are giving cause of anxiety. An Englishman has been shot in Johannesburg by a policeman, and the act has much the appearance of a murder. The incident caused great excitement among the British population of the town, but as the policeman who fired the shot has been arrested and bail, after once being taken, refused on a second arrest, there is reason to hope that justice may be done, in the regular way. President Kruger has in the past done his best to destroy the independence of the courts, and as the present case will bring race feeling up to the boiling point, it must be set down as belonging to the dangerous category. The British force in South Africa is being steadily increased, 1,000 men in different detachments having been sent there within a few days. These precautions it is to be hoped may have the effect of preventing the necessity of a resort to force to right the wrongs of the Uitlanders.

A new Anglo-German commercial treaty, to replace that denounced by the British Government last year, is under negotiation, with, it is said, a good chance of success. Canada, it is stated, this is a matter of course, will not be included. The new treaty will embody the policy of securing to each of the contracting countries any advantage which may otherwise be given to the most favored nation. This has long been the settled policy of England, but it tied the hands of Canada and prevented her making other arrangements which she conceived might be useful to her. It remains to be seen what use she will be able to make of her new liberty of isolation, which was vaunted when obtained as a priceless boon. The denouncing of the Anglo-German treaty doubtless had reference to such negotiations as have lately been going on

at Quebec and Washington, with what final result no one is at present able to predict.

Hamburg has acquired an odious reputation as the centre of the manufacture of all kinds of fraudulent wines and liquors. In the fabrication of the so-called wines the grape has no part. These manufacturers are just now making a great effort to push the sale of their worthless and dangerous goods. Among their drinks are vermouth [was this liquor ever fraudulently made in Canada?], absinthe, port wine, sherry, hock and Madeira. The fraudulent fabricators offer the chance of enormous profits to any who can dispose of the false stuff for the true. The Canadian Government should be on its guard against admitting these infamous fabrications and take means to enforce the law against all who may so far forget their duty as to deal in them.

In Nova Scotia the hope finds expression that the cessation of Spanish preference in Cuba will tend greatly to improve the trade of the province with that island; fish, flour and potatoes are likely to benefit. The prejudice which exists against British American flour throughout the West Indies, British as well as foreign, dates far back, but is believed to rest largely upon a misconception of the fact, or at worst, the cause, so far as it is real, is capable of removal. That Canadian millers need to do something, which is not now done, to adapt their flour to the West India markets there is a disposition to admit. In all such cases a scientific study of the facts, accompanied by experiments by capable experts, is the best road to success.

THE EFFECTS OF THE PREFERENTIAL TARIFF.

As a means of diverting trade from the United States to Great Britain the Canadian preferential tariff has been an unqualified failure. The discrimination against the goods of the United States amounting to 25 per cent. has been followed by a remarkable increase in Canadian imports from that country. Rarely have there been more interesting statistics as to the effects of a tariff on trade than the figures of the Treasury board of the United States recently made public.

In the first three months of the tariff's operation in 1897, when the discrimination in favor of goods from Great Britain was but 12½ per cent., exports from the United States to Canada increased nearly \$4,000,000, compared with the corresponding months of 1896, against an average gain of 2,500,000 in corresponding periods of earlier years. In August, September and October 1898, under the full operation of the new law, the increase over the corresponding months of 1897 was more than \$5,000,000. The total exports from the United States to Canada in August, September and October of the present year, are nearly 50 per cent. in excess of the corresponding months in 1896 and practically double those of the corresponding months of 1894.

The following table shows the exports from the United States to Canada during August, September and October of each year from 1894 to 1896 inclusive.

Exports to Canada			Value.
August, September and October	1894.....		\$14,701,786
" " "	1895.....		17,487,175
" " "	1896.....		19,840,164
" " "	1897.....		23,431,658
" " "	1898.....		28,667,631

This remarkable development of trade clearly indicates the impotency of a tariff to direct trade in other than