

the victors belong the spoils," a policy which promises to create very interesting developments in the coming year. The second Session began on the 25th March, 1897. Unprecedented interest was shown at the opening. The Speech from the Throne, to use an old simile, foreshadowed a course as varied as at a Windsor banquet. The main dish was the new Tariff, with side dishes relating to canals, railways, franchises, cold storage, the Jubilee, etc., etc. The coming Tariff was announced to be one that will "provide the necessary revenue, while having due regard to industrial interests." The first clause of this sentence stated the object of all tariffs. The second clause indicated the resolve of the Laurier Government to be conservative in the fiscal sense, not revolutionary, thanks to the Tariff Commission. By those seven words the apprehensions which had been felt in manufacturing and other circles since the June elections were dissipated as confidence was restored in the stability of our industrial enterprises. We have not space to discuss

THE NEW TARIFF

introduced by the Budget Speech at the end of April. Speaking in general terms, it was a modification of the old tariff, the changes being favourable to farmers, less so to manufacturers of iron and steel, and of uncertain value to cotton and woollen interests. The bitter cry of the coal oil consumer was met by a reduction of the duty to extent of one cent per gallon. Binder twine was put on the free list. One of the best features in the new Tariff was the arrangement of the existing heterogeneous and complicated duties into groups whereby importers were relieved of most irritating labours and difficulties in entering goods, and the tariff conditions of their business made more intelligible. The Free Trade zealots were disappointed, but as they endorsed the new Tariff by their votes we must honour them for paying more heed to the general welfare of Canada than to their personal fiscal theories. One feature of the Fielding Tariff of 1897 will give it historic renown. By one Clause it provided that at once a rebate of 12 1-2 per cent. of the duties be allowed on all British imports, and, on and after July 1st, 1898, the rebate of duties on such articles be 25 per cent. This Clause was condemned as in contravention of treaties between Great Britain, Germany and other countries. This view proved to be correct. But this discrimination in favour of the mother country created such intense delight in England that the Premier, on his visit to the Jubilee celebration, was honoured by a popular ovation. Owing to this action of Canada, supported by Sir Wilfrid's arguments and the pressure of other Colonial Premiers, the home Government was induced to give notice that the treaties which stood in the way of Canada discriminating in favour of British goods would be denounced and abrogated next year. To Sir Wilfrid Laurier is due the honour of

THIS DIPLOMATIC TRIUMPH,

which had a profound effect on Great Britain, where it was and is regarded as an assurance of the perpetuity of the bond which ties Canada to the Empire. On this assurance being felt the credit of the Dominion rose and was evidenced at a later period by a Dominion loan being floated in London at 2 1-2 per cent., which is a lower rate than was ever before accepted for our securities. The rest of the Session was taken up by what Sir John Macdonald used to call "parish politics," which are often more closely allied to the well-being of a people than affairs of "great pith and moment." The proposal to assume the Drummond Railway as a link in the chain to connect the Intercolonial with Montreal raised the fiercest battle of the Session. As prorogation was at hand both combatants had to retire from the field. An armed truce was declared which will end in a severe engagement next Session. The work of the Session showed that the new Government was strong in men as well as in votes. Probably too strong in votes for the Premier's peace, as the family quarrel which has disturbed the politicians in this Province would not have occurred had the two parties been more evenly balanced. When the Premier is attacked for taking some Conservatives into his counsels, he can parry the blow by quoting a score of English and Canadian historic precedents, and by showing that the conciliation of enemies is often more strengthening than their further estrangement. The bravest and most loyal of our Indian troops are men who have been turned from foes into comrades. This allusion suggests a word on

THE INDIAN OUTBREAK,

which is not only assuming grave proportions in a military sense, but is arousing a discussion in the old land which threatens to be troublesome to Lord Salisbury's Administration. The Liberals contend that the outbreak was provoked by the British "forward policy," the policy of pushing its frontier, or authority further west and north. The Government traverses this by asserting that no "forward policy" has been pursued, but only such operations have been engaged in as were necessary for the protection of its frontier and the maintenance of its rights to a peaceful use of the Khyber Pass. It is a very sad quarrel, the misery of which is not mitigated by the glorious bravery of British and native troops. We trust that 1898 will bear peace in its hand as a New Year's gift to India.

THE TRADE REVIVAL.

The most gratifying feature of 1897 was the revival of trade, signs of which began to appear early in the year. One cause was the realization of the large crops of Manitoba, the yield being, of wheat 14,372,000 bushels; barley, oats, etc., 15,674,000 bushels, and roots, 3,861,000, the exports of which and of other products were very large. The settlement of