

recently prevailed would do incalculable mischief. We are at the parting of the roads, where one path leads to a panic and the other to a jubilee.

The McKinley tariff has received a remarkable illustration by the way the strike in the Carnegie steel works, at Homestead, Pennsylvania, has been met. The mouth-piece of the company, which has made millions by favor of a high tariff, Mr. Lovejoy, says: "This fight is not a matter of politics: it is purely one of business and no political considerations will influence us." The tariff is a political affair, and the workmen complain that it does not protect them. Republican politicians see a tariff question in the strike, and they are anxious that the difficulty should be smoothed over. The Carnegie company talks as if it were not under any obligations to the tariff. When Protectionists go to Congress for favors, they do so in the name of the working man, whom they profess to be most anxious to protect against the pauper labor of Europe; but when the workmen refuse to submit to a reduction of wages, the issue is purely one of business. Such is the difference between promise and performance. A fatal collision between armed Pinkerton detectives, in the guise of sheriff's officers, and the strikers took place on Wednesday. About twenty persons were killed and wounded. Congress has been asked by Senator Gallinger to enquire into the trouble.

THE REJECTION OF DISCRIMINATION.

Discrimination within the Empire has, on its first presentment before a large representative commercial gathering, met the fate which every one must have expected. Free Trade is still the accepted doctrine of the British merchant, and not of the British merchant only, but of the nation. The question of discrimination is not so much as getting a hearing before the electorate. From the British point of view, England has nothing to gain and much to lose by discrimination in favor of the colonies. The larger trade is the foreign trade, the colonial trade the smaller; and the conclusion is that it is not wise or reasonable to sacrifice or risk the former for the sake of the latter.

The case for discrimination had its weak points, which the commercial intellect readily seized upon. Sir Charles Tupper's dictum that a five per cent. duty on foreign grain and meat would be paid by the foreigner did not obtain credence, and it is surprising that any one should have expected that it would. And because Canada has a large area of cultivated territory the people of Great Britain were expected to believe that she is now in a position to supply all the food they require. That there is extent of territory large enough, if cultivated, to supply even so great a want, need not be questioned. But a future possibility cannot supply a present need. If the people of Great Britain today had to depend upon Canada for their total supplies of food, they would have to undergo some years of fasting, and but

few of them would survive to partake of the national banquet when it was ready for their use. These are the weak points of discrimination as presented by the representatives of the British Chamber of Commerce, and its rejection need not surprise us. No other result was possible.

Still, as we have before recognized, discrimination is not entirely without friends, even in Great Britain. The chambers of commerce and boards of trade, it may be said, represent only the commercial part of the nation, and there might be a predominating sentiment in favor of discrimination outside of them. A tendency to favor discrimination, in some quarters, there undoubtedly is, but it is so far from being predominant that no time when it will become so can be reasonably looked to in the near future. The traditions of a great nation of strong conservative tendencies do not change in a day.

France favors her own colonies, in her trade regulations, and she has a duplex tariff by which she exacts a lower scale of duties from one nation and a higher one from another. Spain has a similar tariff. The old British colonial system was one of reciprocal favors between the mother country and the colonies. To go back to a system which time has outgrown is a vague aspiration of men like Sir Charles Tupper, which is a long way from realization. In asking the British workman to submit to even a five per cent. tax on food is, in the present aspect of things, to chase a phantom.

The rejection of discrimination by the British boards of trade may, if taken advantage of, prevent Canadians from pursuing a delusion. Discrimination is an unattainable policy, and the sooner we realize that fact the better it will be. There remains the alternative policy of Free Trade between Great Britain and the colonies, in favor of which the Congress of the British Chambers of Commerce, at its late session, pronounced. This scheme has no more chance of present success. The great colonies will all but unanimously reject it. Canada and Australia, rightly or wrongly, have come to favor a policy of Protection.

The issue between Free Trade and Discrimination was put in a direct form; and in spite of the majority of votes, neither policy was promoted by the decision. The position of Canada is not in the least changed by the votes of the Trade Congress of the Empire. We have still to pursue a policy of our own. The United States refuses to entertain overtures for reciprocity, except on impossible conditions. Commercial Union with the Republic, Canada cannot accept; we cannot favor an exclusive arrangement with one country which would prove seriously restrictive in other directions. The same reason was given in the British Trade Congress why Discrimination could not be accepted. If, it was said, the United States should propose such an arrangement with Great Britain as it was proposed Great Britain should make with the colonies, the proposal could not be accepted, because the former arrangement was exclusive. The supposition that the United States should make such a proposal

was not merely far-fetched, it rested on an impossibility; but in the case of Canada, a restriction which should confine the vast majority of our purchases to a single nation would compel us to go to the dearest market for the supply of our wants. Even the McKinley tariff has been unable to destroy the trade between Canada and the Republic; but if its volume has not been lessened, its development and expansion have been checked. It behooves us not to imitate too closely the folly of the McKinley tariff. We have gone far in that direction already; let us beware of the temptation to go farther on the same road. Our trade with Great Britain can be largely increased if we only produce what she requires in great abundance.

THE FAILURE LIST.

According to the statement of the mercantile agency of Dun, Wiman & Co., the mercantile failures for the first six months of the present year were 945 in number and the liabilities \$8,257,018. These figures are not quite so large as those of 1890, which were 993 failures owing \$10,514,000, but larger than several years preceding. We append a list by provinces:—

	No. of Failures.	Amount of Liabilities.
Ontario.....	399	\$2,587,785
Quebec.....	275	3,576,501
Nova Scotia.....	101	707,770
New Brunswick.....	63	542,182
Prince Edward Island.....	6	90,410
British Columbia.....	43	359,126
Manitoba.....	58	393,244
Total.....	945	\$8,257,018

DISCOUNTS IN DRY GOODS.

The dry goods jobbing trade of New York city, as well as that of Philadelphia, has reached an understanding as to the restriction of trade discounts to customers, a matter which has for some time been agitated among the leading jobbers in that city. The H. B. Claflin company, E. S. Jaffray & Co., and half a dozen other leading New York houses, thirteen Philadelphia firms, have signed a circular to the following effect, to apply to all merchandise sold after 30th June, 1892, up to 1st February, 1893:

"The terms of discount to be allowed for prepayment of purchases made during the autumn of 1892 are fixed by the following pledge, from which there will be no deviation: We, the undersigned, hereby pledge ourselves not to allow to any customer whatsoever larger cash discounts than 2 per cent. ten days or 1 per cent. thirty days (no discount sixty days) on net goods; 6 per cent. ten days or 5 per cent. thirty days, or 4 per cent. sixty days on regular goods; and 4 per cent. ten days, or 3 per cent. thirty days on carpets and oil cloths."

Commenting upon this arrangement, the *Dry Goods Chronicle* says: "The discount terms to which the subscribers to the circular have bound themselves are really not new, but a return to old ones which had gradually been departed from until 3 per cent. 10 days on net goods, and 7 per cent. 10 days, or 6 per cent. 30 days on regular goods, became general. Business is now conducted on such close lines that a difference of 1 per cent. on the bulk of a year's business is a matter of great moment to the jobbing trade, and hence a