The Halifax Chamber of Commerce calls on the Dominion Government "to take such steps as may lead to negotiation with the Government of the United States for a reciprocity treaty between the two countries," including trade and fisheries. Just now the American Government has the duty of initiative, and any impatience on the part of Canada would be interpreted to our disadvantage. The matter is one which cannot be forced, and an attempt to force it would only result in putting matters in a worse position. In a question of this kind, no folly could be greater than that of showing extreme anxiety.

SAVINGS' BANK DEPOSITS.

The St. John *Telegraph* defends the payment by the Government of four per cent. on Savings' Bank deposits, on the ground that the system of Government Savings' Banks, giving a fair rate of interest with perfect security, tends greatly to induce people to save and deposit moneys which would otherwise not find their way into the chartered banks. "Since the Government pays *nearly* four per cent. on debenture loans, the *Telegraph* does not see why it should not pay *quite* four on Savings' Bank loans; though an all-sufficient reason might be found in the fact that time loans are more favorable than loans payable on demand or at short notice. Of course a loan for twenty years may be cheap at first and dear in the latter years, or the contrary may be true. But does the element of uncertainty compensate for the positive disadvantage of paying even a slightly abnormal rate of interest? It is pointed out that private savings banks in the United States pay 3½ per cent. for money when the banks are lending for from 1½ to 2½ per cent. The Savings' Banks are doubtless enabled to pay more, because the investments they make are for longer periods and at higher rates than those which characterize the business of the banks of commerce. But the Canadian Government does not re-loan at a profit what it borrows through the Savings' Banks, or at all; and the question is whether it is justified in paying excessive interest in order that the public may be induced to add to its savings? We venture to think the Government has no such paternal duty to perform. The question of security is here in no way connected with the rate of interest; in ordinary cases, a high rate of interest accompanies inferior security. Then there is the question of fact. Does four per cent. interest, rather than three and a half, paid by the Government induce private parties to save what they would otherwise dissipate? It is incredible that it should have that effect.

IMPERIAL FEDERATION AND IMPERIAL DEFENCE.

An address on Imperial Federation was recently read by Mr. Thomas Macfarlane, before the Montreal Branch of the Imperial Federation League, in which a distinct step in the direction of union is proposed. As a preliminary move towards the realization of a united empire, Mr. Macfarlane is desirous of seeing the colonies contribute towards the defence of the empire. He proposes to make the import trade of each section of the empire the measure of its obligation and its contribution; and that the necessary revenue for this purpose should be raised by a five per cent. discriminating duty, as against foreigners, on every description of imports. One effect would be to revive the bread tax, which Sir Robert Peel abolished. If a proposition for distributing over the whole British empire the cost of the protection of the empire ever come up for consideration, it would probably be found that the import trade formed a very unsatisfactory measure of the obligation to be discharged. Why the colonies should always remain exempt from the charge of external defence, it might be difficult to show, though it cannot be denied that imperial honors and profits imply imperial obligations.

Principal Grant is the only Canadian who has hitherto emphasised his advocacy of colonial contribution to imperial defence; now he is followed by Mr. Macfarlane, who desires to see this obligation assumed at once. Canada's annual contribution, Mr. Macfarlane tells us, would be $3,000,000; and he thinks the five per cent. tax by which he proposes that the amount should be raised, would not be felt to be burthensome. But it must be remembered that the five per cent. would in the case of the colonies, be an addition to the amount already raised; and when added to a pre-existing high duty, it is not at all certain that the additional revenue would be equal to the new tax. In some cases, the revenue limit might be passed and a reduction instead of an increase in the revenue result; on the whole, it is certain that an added five per cent. *ad valorem* duty on all our imports, would not produce a revenue equal to five per cent. of their value. The scheme would fail in detail. It might, however, be patched up; but the weight of the additional three millions could not be got rid of by shifting it from one shoulder to the other.

Mr. Macfarlane's scheme would require Great Britain to put a five per cent. duty on all the raw material, not less than the food products, which she imports. Nothing could be more unwise than for a great manufacturing nation to handicap herself in this way, and England is the last country in the world to think of doing anything of the kind. Should Germany be disposed to to put a duty on coal, England would have small reason to object. Coal is power, and a nation that taxes its manufacturing power would give competing countries a decided advantage.

It may be that the time is coming when the colonies will be required to aid in the defence of the empire. It is difficult to see how they could, for all time, excuse themselves from fulfilling the obligation. The extent of the obligation would require to be defined. Self-defense is all that could be asked of any colony; and as self-defence would be impossible, some union of resources for the purpose would be necessary. Contributions of both men and money would be required. But when this stage is reached, the colony would be scarcely distinguishable from an independent ally. The colonial condition, in some of its stages, implies the protection of the parent state; and what people get for nothing they seldom show a disposition voluntarily to pay for. If some exigency called for it, the colonies would be spurred into aiding in their own defence; but to form a scheme on theoretical principles for a general contribution to a defence of which the necessity is not urgent is another thing, and it is doubtful if the time has come when this can be done; assuredly it cannot be done on the scale and in the way proposed by Mr. Macfarlane.

THE IRISH LAND PROBLEM.

To Mr. Giffen, statistician of the London Board of Trade, is attributed the paternity of a plan for buying out the Irish landlords. The British Government would be the purchaser, the price would be fixed at twenty years' purchase of the judicial rents, payment would be made in consols. The land to be given to the present occupants, subject to a rent-charge; but as the proposed rent-charge would be only equal to half or two-thirds of the interest on the purchase money, the Government would have to submit to a loss of one-half or one-third of the total amount of the investment. The tenants, who would pay only one-half or two-thirds of the judicial rent, would get the difference; practically they would get what the nation would lose. And this rent would go to the local authorities in Ireland, so that England and Scotland would pay the whole of the purchase money. Out of this fund the local Irish Government to be created would pay its way.

The landlords would not suffer, but the English nation would suffer in their stead. The capitulation would be complete, as complete as it could be if Ireland had won a conquest by the sword. To carry out this scheme, a burthen of £4,800,000 a year would be imposed on the British public, or rather a portion of it, which got none of the benefits. It seems that the cost of the local government of Ireland at present is nearly £6,000,000 a year, exclusive of the support of the army and the collection of the revenue. In this way, the scheme is made to show a means of effecting a saving to England of the difference between £4,800,000 and £8,000,000, the present total cost army included. Even in this aspect, the question arises where would Ireland get the difference from? This scheme presupposes that the control of the police would be vested in the local government; and the Imperial Government would require to have a second police force to ensure the collection of its revenue. This would bring about a collision in which the aid of the soldiery would be required.

However the scheme may be figured out, there can be no earthly reason why the rent of Ireland should be treated as the prerequisite of a conquest which has not been made. If Ireland wants the luxury of a local government, it is only reasonable that she should pay for it, the same as any State in the American Union. If she cannot afford the luxury, she ought not to desire to indulge in it.