

attempt to cripple the whole industry of the Republic and to bring it to a stand was a signal failure, and it is probable that it will be a long time before it is tried again. In a limited strike the strikers can be supported by sympathy taking a substantial form; but a general strike, if such a thing were possible, would reduce whole working populations to beggary in two weeks.

Illegal whale fishing, by American vessels, at the mouth of the Mackenzie river, is a discovery of recent date, and already demands for its abatement are made. Not that we can claim an open sea in that region, but we may fairly object to open violations of territorial rights along the Canadian coast. Illegal whaling and fishing in Hudson Bay have been going on longer, and as yet no remedy has been applied. But the question attracted the attention of Parliament at Ottawa last session, and the Opposition, by the mouth of Mr. Mills, called as loudly as a Government supporter could call, for some scheme of protection. Mr. Mills was afraid that unchecked usage might confer rights, but this apprehension the Government did not share. Another mode of depredation, in a third quarter, is in the form of smuggling into Canadian territory through the Yukon River. This river has its outlet in American territory, and Canada has the right of navigating the American portion, under the Treaty of Washington, as Great Britain once before had under treaty when Alaska belonged to Russia. The North American Trading Company has a fleet of steamers on this river, and smuggling craft encroach on its business. Last winter this company urged the Canadian Government to send a representative to the upper section of the Yukon, which is Canadian, armed with magisterial powers to keep the smugglers in check. An Inspector of the Mounted Police has gone up there to investigate and report. Smuggling will not long be wholly unchecked, even in that distant region.

Lord Jersey expresses the hope that the late Inter colonial Convention, which he attended as the British representative, will bear "practical results" beyond its present features, which he thinks were all that could be desired. General expressions of this kind give us no real information. We shall know nothing of importance till we learn what action the Imperial Government takes on his report.

COMMERCIAL EFFECTS OF THE KOREAN WAR.

It is hardly possible that the Chinese-Japanese war should have any serious effect upon Canadian commerce. Our trade with the belligerent powers has not, unfortunately, attained any considerable dimensions; its volume is far less than our geographical position and shipping facilities should warrant. The principal commodities imported into Canada from these countries are tea, rice, silk, spices, drugs, and novelties of various descriptions, while our exports consist mainly of cottons. Almost the entire trade of China is carried on through the treaty ports, and Japan has been given to understand that she must respect their neutral character. China, of course, would be very willing to strike a blow at the foreign commerce of Japan, but she lacks the naval strength. If the war be prolonged the values of some eastern goods may advance. Operatives will be drawn from the silk factories, and laborers from the tea plantations, to feed the armies of the belligerents. But, on the other hand, the very fact of industrial inactivity will necessarily increase the demand for goods of foreign manufacture. Military supplies of all kinds will be in request, and in the furnishing of food products, more especially, Canada should obtain a large share of the trade.

But the effect of most consequence will not be realized until peace be again established. The Chinese people have been most stupidly conservative in their treatment of foreigners. The folly of their action will be made apparent before the war has been concluded. China has no railroads with which to move her troops to the seat of military operations. Her means of telegraphic communication are of inferior character, her forces ill disciplined and armed in a primitive manner. Japan, on the other hand, is most progressive, and has with eagerness adopted the methods of civilization. The wisdom of this course has been demonstrated by a series of rapidly gained victories. Even if China in the end make a greater population tell in her favor, she will probably have learned a lesson from her smaller neighbor. And should China open all her ports to foreigners and enter upon an active industrial career, it is impossible to say in what rank among commercial nations a dense and thrifty population would place her. In Japan there is a large faction dissatisfied with the progressive policy of their rulers, and it is said that the Japanese Government has been forced into war to turn this reactionary party aside from revolutionary plottings. The war may be the one thing necessary to further open up and develop these great eastern countries.

THE DRY GOODS TRADE.

The first weeks of August are of more than usual interest to the dry goods trade, since during this period a considerable amount of paper matures. In Montreal and Toronto notes due on the 4th and 5th of August have, in consideration of the times, been satisfactorily met. So far as Ontario and Quebec accounts are concerned, payments are, it is thought, quite up to those of last year. It is unnecessary to add that the last two years have fallen short of the standard which in the normal condition of things should exist, and were characterized by universal complaints concerning the scarcity of money. On Manitoba account payments have been rather disappointing. The farmers of this almost exclusively agricultural province trust too much to wheat, and this cereal is now selling at hitherto unrecorded low prices. But a movement is now taking place throughout the province looking to the more general establishment of creameries and cheese factories, and should these prove successful better things may be expected of Manitoba.

It is an ill wind that blows no one good, and the stringency of the last few years has performed a service to trade in weeding out many weak merchants. A large number of these men have been carried by wholesale houses for a long period of time, but this course of action is more difficult in times of depression, and in many instances proving to be an impossibility, assignments have necessarily been made. "In commerce," as the principal of a large dry goods house justly remarked, "we must have our years of expansion and our years of restriction. We are now on our years of restriction, with the result that importations are light and credits are determined with great prudence and care. The trade will be much more healthy on account of restricted trade. There will be no surplus stock for slaughter. The probabilities therefore are that the sales may be lighter, but trade will be more profitable in two ways—in profit on goods sold and in less loss from bad debts."

Although there may be differences of opinion as to the advisability of a protective tariff for Canada, merchants who are Liberal in their politics, as well as those who adhere to the Conservative party, are ready to acknowledge the services performed by the National Policy in shielding