

wool growers are very much in earnest, and, whatever the precise rates may be, they are bound to get high rates on different kinds of wool. But these rates will be small compared with the so-called compensatory duties on woolen cloth. Under the name of compensation, exclusion of foreign products, as near as possible, is intended. Complete exclusion is not possible, because there are men with money who are bound to have the best, cost what it may.

The appointment of Mr. John W. Foster, a member of the Harrison Administration, and Mr. C. S. Hamlin, late Assistant Secretary of the U. S. Treasury, to aid the Treasury Department in dealing with the new phases of the fur seal question, is doubtless due to their special knowledge of the subject. Though the present arrangement has sixteen months to run, the contention is set up by Americans that under it the seals are in danger of extinction. There is probably much exaggeration in this. The reports of the experts of the two countries have hitherto showed the widest divergencies, and the danger of extinction has sometimes been most loudly proclaimed when the herds were strong and flourishing. Last year, the two countries most concerned agreed to collect further evidence on the condition and prospects of the fur seal. Such evidence ought to be useful when the time for reconsidering the question arrives. Till then the two officials attached to the Treasury Department at Washington to watch the progress of the diplomatic treatment of the question, can leisurely prepare their case.

INTERNATIONAL DIVISION OF LABOR.

In the present tariff discussion voices are heard which claim to be accents of wisdom, saying that nothing that can be produced in the wide expanse of the United States ought to be purchased abroad. If every nation acted on this principle the trade of each nation would be confined to its own limits. In point of area, Great Britain, with her vast colonial possessions, comes first in territorial extent, and Russia next; the United States might stand third. If population were taken in connection with territory, the British Empire would still stand high above all competitors, in the first rank. But if every country sought to produce everything it consumes foreign trade would cease to exist, and the prejudices of universal isolation would push back the tide of civilization to an extent that none would care to contemplate. Great advantages are enjoyed by the nations from the international division of labor. Have those who talk of the people of the United States producing everything they consume, thought of what it would mean to have to grow their own tea? Mr. Hill, president of the great Northern Railway, has found a market for American wheat in Japan by employing a line of Japan vessels to carry it, because they can do it at a less rate than Americans demand. Here the employment of Japanese labor enlarges the field of American labor. The same effect is often produced when a nation buys foreign goods, which, as the rule is, are practically, though not directly, paid for in domestic produce. Mr. Hill puts the Japanese labor thus exchanged at one-twelfth part the value of American, but in real value there is no such difference. If there were, he would not be able to announce, as he does, that other lines of vessels are carrying at the same rate as the Japanese line, the reduction from the old rates being from \$7, and sometimes even \$8 to \$3 per ton. In all such cases the efficiency of the labor is the one element in which an approximation to equalization is to be found. But if a country can buy an article much cheaper than it can produce it, there is a profit in

buying. The Japanese can buy American wheat cheaper than they can produce it, and they know enough to be convinced that the gain of buying is better than the relative loss of growing the grain. If this rule were more generally acted upon, the world would be both richer and happier.

THE COAL DUTIES.

That the United States Government, in framing the Dingley tariff bill, was actuated by motives most unfriendly to Canada, is the only conclusion to be drawn from provisions which must operate to the injury of this country, without any corresponding advantage to the United States. Such evidence is to be found in the coal schedule of the new tariff bill. The present duty on bituminous coal in the United States is 40 cents a ton. Mr. Dingley proposes to increase this tax to 75 cents a ton. Several railway companies, who lose a certain amount of traffic which would pass from the Pennsylvania and Ohio coal fields to the cities of the Eastern States, if it were not for shipments of Nova Scotia soft coal by vessel to the Atlantic ports, are apparently the chief interests asking for the imposition of higher coal duties. The magnitude of this trade is seen in the estimate that the exports of Nova Scotia coal to the United States amounted in 1895 to only 73,097 tons. If it be Mr. Dingley's object to raise a revenue from coal, then—making no allowance for a diminution of trade as a result of the higher duties—about \$55,000 would be contributed to the United States treasury from this source. But the coal duties cannot be seriously considered as productive of a revenue. A duty of 40 cents a ton is highly restrictive; an addition of 35 cents a ton to the present duty must prohibit the trade entirely.

To prevent the importation of Nova Scotia coal on the Atlantic coast, the citizens of a single Pacific coast city must be heavily taxed on 1,200,000 tons of coal, which is about the annual importation of San Francisco from foreign countries. The coal consumers of California, Washington and Oregon must also share this burdensome tax. The coal supply of San Francisco was drawn in the year 1895 from the following sources: British Columbia, 651,000 tons; Australia, 268,000 tons; England and Wales, 201,000 tons; Japan, 10,000 tons; the United States, 480,000 tons. The price of foreign coal, it is true, may be increased, as a result of the higher duties, to such an extent that the inferior coals of Seattle and Tacoma, in the State of Washington, will be drawn upon more heavily, to the detriment of foreign producers. These coals, however, can be used only for certain purposes, and, it is said, the limit of consumption has already been reached. In this event the consumers must bear the tax alone.

The following table, compiled by United States authorities, shows the complete importations of Canadian coal during the past six years:

Year.	Tons.	Valued at
1891.....	606,842	\$2,225,460
1892.....	641,053	2,390,551
1893.....	613,410	2,322,335
1894.....	731,000	2,679,859
1895.....	799,084	2,812,657
1896.....	790,649	2,630,818
Total	4,182,037	\$15,061,680

The Nova Scotia coal companies have naturally sought to regain at Ottawa the losses threatened from Washington. The interests of Ontario are, in this matter, at variance with those of Nova Scotia. It is the duty of the Government, in making laws, to consider not the interest of a single province, but of all the provinces, the Dominion, as a whole. Retaliation, taking the form of an increase in the Canadian duty on bituminous coal, and the imposition of a duty on