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THE SITUATION.

In the beginning of the tariff enquiry, all the evidence was in favor of continuing, and even increasing, the present Protection. After the case of the Protectionists is in, the other side may possibly be heard. Several manufacturers, only just before the last election, volunteered opinions favorable to reciprocity with the United States, in the articles they manufacture. These may come as reserved witnesses before the enquiry closes. The witnesses have succeeded in showing, in a few cases, that some of the materials they use are more highly taxed than the finished product, and when this has been done, a reasonable case for relief has been made out. But when witnesses ask a Government committed to a revenue tariff for higher rates of Protection than an avowed Protectionist Government could be persuaded to give, they cannot expect to succeed. When anyone goes before the Commission alleging that he is disinterested, and is only asking high duties for the benefit of workmen, he weakens his case, and causes his credibility to be rated low. When materials used in manufactures have been wrought up to various degrees of perfection, the habit of calling them "raw material" betrays a tendency to exaggeration, which does not strengthen the force of the plea for freeing them from duty. Better drop the false adjective, and call the materials by their right name. Nothing can be lost, and something may be gained by being perfectly candid with the Commission. Protection, whatever its merits or demerits, cannot be suddenly and entirely abandoned.

The complaint that Canada is being made a sacrifice market for surplus American goods is revived before the Tariff Commission. When first uttered, twenty years ago and more, there was perhaps more truth in it than now. That foreign goods are largely or systematically sacrificed in this market is made improbable by the extent to which American manufacturers are now able to compete in the open markets of the world. A country that exports between six and seven hundred millions of dollars of manufactures, in a year, as the United States now does, must have its foreign export trade on a solid basis. That it is selling these goods at a loss is incredible; to do so would be to court ruin, where profit is

sought. When the foreign exports of the Republic reached only about fourteen millions, as they did in 1880, the figures show that the period of profitable competition in such exports had not been reached, and the small surplus sent abroad may to a considerable extent have been parted with at a loss. In the much larger export trade of to-day there may be occasional sacrifices, but the vast extent of the trade could not exist if it were not on a sound basis. The argument of Canada being a sacrifice market is not quite so strong as it once was, though in some instances it may still not be without force.

It is a matter for profound regret, though scarcely for surprise, that the Manitoba School settlement does not promise to be a success in the way of putting an end to the agitation which the question of Separate Schools aroused. In the ranks of the clergy of the Catholic Church the advocates of these schools were chiefly found. The settlement made between the politicians at Ottawa and Winnipeg does not receive the assent of Archbishop Langevin, in whose diocese the Catholic minority to be affected by the measure is to be found. He protests loudly against the settlement, and his protest finds a sympathetic echo as far east as Halifax, where Archbishop O'Brien is equally emphatic in condemnation. The hierarchy of Quebec, which condemned in advance any settlement which stopped short of Separate Schools, will be none the more compliant from the fact that it met a seeming defeat at the last general election. It is evident that the Roman Catholic clergy continue to stand just where they have always stood, in demanding Separate Schools. The question has wrecked one Government, and may wreck or impede several others before it is finally settled, if any absolute settlement be possible. The fact that this school question made it impossible for the Premier of Canada to complete the formation of his Government for months, shows the inherent difficulties which it embraces. The one possible hope that the settlement may be accepted is its sanction by the Pope; but that such sanction will be given is in the last degree improbable. It is useless to cry peace, when the bishops resolve that without Separate Schools there shall be no peace.

The United States Geological Survey reports the discovery in Alaska of an extensive gold belt, 500 miles long, and from 50 to 100 miles wide, which is expected to prove as rich as the gold mines of South Africa. As the auriferous bed passes from Canadian territory into American, near the Forty Mile Creek, this country is interested in the discovery. The belt has a northerly trend, and runs parallel to the Yukon, on the north-east, and to the Tana, on the south-west. It crosses the Yukon near the mouth of Porcupine River. The belt is in a low range of mountains, composed chiefly of gneiss, schists and granite. Only near the rivers do forests grow. The sedimentary rocks are mingled with volcanic rocks. There are extensive placers in the gullies, where miners wash gravel in sluice-boxes made in the form of long inclined troughs. Washing has been carried on there, by American miners, for three years, and it is predicted that before long extensive plants, equipped with improved machinery, will be found along the extensive gold belt. As yet the thickness of the stratum is unknown, but it is thought to be great. The Treadwell mine, which made 62 per cent. profit last year, is on an island west of the gold belt, on the mainland. The time may come when the gold question will be at least as perplexing as the silver question is to-day.

Before careful enquiry was made, by the Pacific Cable Conference, no basis existed on which to found demands