

terrering others from committing like crimes." Carrying out this idea, fifty-five pages of the report are devoted to pictures of convicted incendiaries and those who fled the State to escape arrest.

In an appendix to the report laid before the Mutual Fire Underwriters of Ontario in March, 1905, Mr. G. N. McKendrick says, after giving a lot of facts and figures such as the above: "We are struck with the lack of knowledge of such items in Ontario and Canada."

"When we realize that over \$10,000,000 of property was burned within sight of our Legislative Buildings (Toronto), and that there is no report in the Government records of the cause of the conflagration (1904), the amount of property destroyed, or other particulars; in fact, it is not known to the Government that one of the most disastrous events in the history of this Province occurred on the 19th April, 1904. I say, when we realize this fact, we believe the body of Mutual Fire Underwriters is justified in again, with renewed vigor, pressing upon the Government the advisability of collecting fire statistics showing the amount of property destroyed and the cause of the fire, and such other details as may be considered advisable.

"This we believe to be a preliminary step towards the lessening of the serious fire waste and a reduction in the heavy insurance rates in this Province."

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#### CASH DISCOUNTS.

A subject which was introduced at a recent meeting of the Wholesale Dry Goods Association in Montreal and caused a good deal of discussion was cash discounts, brought up by Mr. Wm. Agnew, the new president of that body. It does seem an anomaly, while the banks of the country pay 3 per cent. on deposits and make discounts at 5 to 7 per cent., that wholesale dealers in dry goods should allow a discount of 5 per cent. for thirty days, or three months net, or at the rate of 20 per cent. per annum. Mr. Agnew suggested that the present rate of 5 per cent. thirty days, 6 per cent. ten days, should be reduced to 3 per cent. thirty days, or 4 per cent. ten days, which would still present the attractive rate of 12 per cent. per annum to the man who wishes to pay cash and save time charges. Such a change would scarcely be likely to prevent any merchant who is in the habit of taking discounts from doing so still, while those who at present take full time would certainly not make any objection. Even were these changes made there would still be considerable disparity between trade discounts and ordinary bank rates, but they would pave the way for still further reductions later on. We believe these proposals are in line with a noticeable tendency in the United States of recent years to reduce both the dating term and the cash discount rates so as to bring all business as nearly as possible to a prompt net cash basis.

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#### GRAIN ROUTES TO THE SEABOARD.

The tendencies presented by grain routes to seaboard are always worthy of careful note, and in the case of a country like Canada at its present stage of development they may lead to far-reaching and im-

portant results. The chief grain commissioner at Winnipeg has furnished tables showing the routes by which the Western crops of the last three years have found their way east, and they are confessedly disappointing from a Canadian standpoint, inasmuch as they indicate an increasing volume of Canadian grain which was carried by way of Buffalo to the ports of the Eastern States. So far as the past fall is concerned the large traffic via Buffalo is to some extent explained by the congestion that occurred at our own ports on Georgian Bay and the relatively small number of vessels comprising the Canadian fleet on these waters. When the Government has carried out its proposed improvements in these harbors the conditions, it is hoped, will change, and Canadian trade be recovered to its own shipping routes.

The figures show that, of the grain moved eastward from Fort William and Port Arthur during 1905, 29,763,810 bushels were carried in Canadian bottoms and 11,218,882 bushels in United States vessels. In 1904 the proportion that went from Port Arthur and Fort William by Canadian bottoms was 27,091,086 bushels, and by United States bottoms, 2,822,302. In 1903, 28,160,980 travelled by Canadian, and 6,532,049 by United States bottoms. Of the 1905 grain, 40,982,782 bushels was wheat, 723,413 bushels oats, and 345,292 bushels barley. The movement of flax seed has increased from 2,355 bushels in 1903 to 182,000 in 1904, and 353,000 last year.

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#### POLITICS IN THE MOTHER LAND.

Were it not for the unchallenged position of Mr. Chamberlain himself, his son, and a few candidates under his immediate influence in his own district, the defeat of the Chamberlain proposals for tariff reform in the election of the present month in the British Isles may be described as overwhelming. This result, which cannot be said to have been altogether unlooked for except in the degree of the disaster, without a doubt comes as a disappointment to many people in Canada, who desire to see the bonds of Empire drawn closer together in a commercial as well as in a sentimental way. Yet, we think most unbiased people will acknowledge that, whatever good may have been the aim of the reformers, the proposals themselves were of such a crude and necessarily contradictory character, and they were so enveloped in an empirical non-understanding of the economic principles underlying the mutual welfare of an old and a new country, respectively, that they were really bound to fail of acceptance. Of course, the defeat of the late British Government cannot be laid altogether at the door of fiscal reform; there were many other features of policy which, no doubt, added a no mean share. But for all practical purposes it would appear that their fate was bound up with that of preferential tariffs, a form of protection with which the electorate unmistakably expressed their determination to have nothing to do.

What we mean by saying that the presentation of the reformers' case has so far been but crude is that Mr. Chamberlain never cleared up certain anomalies therein. For example, the two shillings tax on grain was to do good to Canadian wheat-raisers by increasing their profits, and at the same time was not to raise the price to the consumer. Mr. Chamber-