

ESTABLISHED 1866

## THE MONETARY TIMES, TRADE REVIEW

And Insurance Chronicle,

With which has been incorporated the INTERCOLONIAL JOURNAL OF COMMERCE, of Montreal (in 1869), the TRADE REVIEW, of the same city (in 1870), and the TORONTO JOURNAL OF COMMERCE.

Issued every Friday morning.

SUBSCRIPTION—POST PAID:

CANADIAN SUBSCRIBERS	\$2.00 Per Year.
BRITISH " "	10s. 6d. Sterling Per Year.
AMERICAN " "	\$2.00 United States Currency
SINGLE COPIES	10 Cents.

Book and Job Printing a Specialty.

PUBLISHED BY THE

MONETARY TIMES PRINTING COMPANY OF CANADA, Limited.

EDW. TROUT, President.

ALFRED W. LAW, Sec'y-Treas.

Office: 62 Church St., cor. Court

TELEPHONES { BUSINESS AND EDITORIAL OFFICES, 1892  
PRINTING DEPARTMENT, 1485

TORONTO, FRIDAY, DECEMBER 30, 1898.

## THE SITUATION.

Sir Charles Dilke, as the result of observations made in a visit to Paris, is in a hopeful mood as to the prospect of outstanding difficulties with France, which in his estimation is reduced to three, including that of Newfoundland. When France undertook to block the passage across the island, in which she does not own a foot of land, by a railway, the crisis may be said to have come. True, the railway was meanwhile deflected, but the resolution was at the same time formed that this sort of nagging must cease. If it did not, the islanders might next be told that they would not be permitted to cut the timber or to work the mines on the shore on which the French have a right to dry their fish. In getting things squared up, Mr. Reid, with the various enterprises in the Island in which he is interesting British enterprise, may prove a solid factor. An individual who owns 7,000 square miles of territory must utilize it if he is to derive any benefit from it. He is accordingly promoting a Pulp Bleaching Company, with a capital of \$2,000,000, and a Pyrites Company, with a capital of \$1,500,000. The comparative nearness of the island to England gives Newfoundland a special advantage in supplying material out of which to make iron and paper, two heavy articles, of which the cost of making, carrying the raw or the secondary materials, form a considerable item. In proportion as English interests in Newfoundland develop so will the chance of getting justice done to the island increase. In this way Newfoundland may come to owe her release from the most extra-legal part of the French claims, which are founded on an abusive working out of treaty rights.

It now appears that an effort is being made to settle with France the outstanding difficulties between that nation and England. Sir Charles Dilke concludes from what he learned on the visit to France, that an amicable settlement of the Newfoundland question will be arrived at. Both nations have been taking precautions which seem to look to a possible rupture in that quarter of the world. France is reported to have been moving the cable which connects with St. Pierre Island to a position where it would be more difficult to destroy; and England is replacing the inferior war-ships, which do duty at New-

foundland, by others of greater power and the best equipments. At the same time negotiations for the delimitation of the English-Egyptian and the French possessions and spheres of influence in Africa have been set on foot. To ensure a definite result Lord Salisbury names certain limits beyond which the negotiations are not to range. This is done by conceding to France certain territory to the south and west of a line drawn westward from the Ubanghi watershed, and leaving for Egypt and England a sphere of influence over the Bahrel-Ghazal, Darfour, Borgu and all the territories to the east shore of Lake Tchad. Whether France will accept these conditions is the point on which the chief interest in these negotiations for the moment centre.

Governor Murray of Newfoundland has failed, as it was evident from the first he must, to obtain the countenance of the Colonial Minister, in Downing street, of his opposition to his Ministers on Mr. Reid's railway, land and minerals contract. His responsible advisers adhere to that contract, and in him the right to thwart them is not recognized. In taking an attitude of opposition it is to be feared the Governor did not duly recognize the claims of his responsible advisers. The bargain may, in the opinion of the Governor, be a bad one for the province; it may, in fact, really be so, but it has been made by competent authority and must be adhered to. We are inclined to think that the contract is an unfortunate one, even if it were necessary. Its best defence may be that necessity has no law.

A strong demand for free pulp-wood, pulp and paper from Canada comes from the American News Publishers' Association, representing 157 daily papers. They want this wood and the pulp admitted free as a means of getting cheap paper; and they also want free paper as a means of fighting the American paper-makers' combine, who, operating under a prohibitive tariff, now levy immense profits on paper users. This trust, immediately after its formation, raised the price of paper \$5 a ton, equal to \$2,130,000 per annum. An increase of a quarter of a cent per lb. in the price of the paper used in the Republic adds \$31,000,000 to the cost every year. The document prepared by the publishers on their grievance is exhaustive and shows the way the combine fleeces the American public. This American monopoly has got a footing in Canada, holding under license 1,820,000 acres. Incidentally, this publishers' appeal is a strong reinforcement of the claims of Canadian lumberers. "A reciprocal arrangement with Canada," they say, "for free paper and free pulp is advisable to insure the continuance of the present supply of free logs from Canada." And they add, "the threatened retaliatory export duty upon logs to be imposed by Canada would ultimately fall upon the newspaper consumer." The present consumption of pulp-wood in the United States requires 625 square miles per annum. If the supply could be as accurately measured as the consumption, an exact calculation of how long the home resource would suffice could be made. This demand for free materials of paper and paper itself coming from an influential section of the American public, is the most powerful influence yet set in motion in favor of a certain feature in the proposed commercial treaty. The demand for free pulp-wood is most likely to be successful; next stands the chance for free pulp; the chance of free paper comes last, but it stands on the same footing as any American manufactures we may admit free, and ought to have an equal chance. That it will is open to doubt.