

and short-sighted as well. These after troubles sometimes arise out of carelessness by the company in writing policies, as well as from negligence by the assured; but it is too late to make amends for such carelessness when the policy has become a claim. Honorable settlements and prompt payment are as indispensable to the success of the business as premium receipts; and we hope that the delinquent companies will hereafter give the mercantile public less cause of complaint in this respect.

REDISTRIBUTION OF THE PUBLIC DEBT.

A rumor which obtained a limited currency some months ago, that the Dominion Government would propose to cut the knot of the difficulty of adjusting that portion of the debt of old Canada, which fell to Ontario and Quebec, by making it a Dominion liability, has, we are sorry to say, matured into fact. The amount is, in round numbers, about ten and-a-half millions of dollars. The arbitration appointed to settle the proportions in which this amount should be borne by the Provinces of Ontario and Quebec, resulted in an award, of which Quebec questioned the legality, on the ground that it had been made by two of the three arbitrators, after Judge Day, the third arbitrator, had resigned. The question was one of a purely legal character, and it was agreed to refer it to the Privy Council for adjudication. Instead of allowing the reference to proceed, the Dominion Government has intervened with a proposal to assume the amount in dispute, and give the other provinces compensation by increasing their subsidies in the proportion that Ontario and Quebec benefit by being released from the obligation to pay this debt.

The motive that lies at the bottom of this policy is entirely political; to get out of the difficulty which a decision of the Privy Council might occasion; to obviate objections that might be made to it; to conciliate intestates that might otherwise prove difficult to placate. No more mistaken policy, could, in our opinion, be pursued. The attempt to please all parties by a new deviation from the terms of the union, will end by pleasing none. Better terms all round, if they proceed on a principle of compensation, as is pretended, must prove a delusion, since, in substance, they leave all parties where they were before. To release Ontario and Quebec from the payment of the interest on a debt of ten millions and a-half, is equivalent to increasing their annual subsidies to that extent; and equitably to compensate the other Provinces—to give them an equal

amount of additional subsidy in proportion to their population—would leave them all as they were before, neither richer nor poorer. This is the inevitable result, if the compensation be equitably adjusted. But if any inequality be allowed to find its way into the arrangement, a worse result will follow; injustice will be done somewhere.

What then is to be gained by the proposed arrangement? A political settlement of a judicial question; and at what cost is this result to be purchased? At the cost of a new and dangerous disturbance of the original basis of the confederate union—at the cost of unsettling the very foundation of the governmental edifice; at the cost of teaching rapacious local governments that they have only to insist on "better terms" with unreasoning pertinacity to get their claims allowed; at the cost of unnecessarily increasing the Dominion debt, which, in spite of all attempts to keep it down, will grow fast enough, and for the purpose of increasing the revenue of the Provincial Governments, one of which has for some years been embarrassed with the question how to dispose of its surplus.

Until we come to look upon the basis of the government as firmly settled, proposals to change it may be expected to increase. Few greater evils can befall a country than a feeling that the government is provisional in its character; and this feeling is being excited by constant changes in the original compact of confederation; changes made in obedience to local demands, backed by petulance, selfishness and avarice. If every demand of this kind is to be granted, there is little hope for the ultimate success of the new political experiment which we give the name of Confederation.

The unnecessary addition to the debt of the Dominion, with a superadded burthen to the revenue is, economically considered, in the highest degree objectionable. The real strain will, in any case be, not on the Provincial but on the Dominion finances. Provinces which have neither the trouble nor the responsibility of levying taxes, are somewhat in the position of minors whose spendings come out of the paternal purse. If they can increase their revenue by the simple process of asking better terms every year or two, the resources on which they draw must become impoverished, while they will themselves settle into spendthrift habits. In Ontario we are throwing money to corporations as if it were a burthen to be got rid of with the least delay. Other Provinces, of which the greatest want is a development of the municipal spirit, will have that development checked by this

easy way of getting money. They will not tax themselves so long as the central government will give them all they ask. New Brunswick and Nova Scotia are, in this respect, about in the same condition that Upper Canada was when Lord Durham's report was written. It will be found in the end that for merely local purposes nothing but local taxation will suffice; and the sooner the lesson is learnt the better. Till then there can be no real local development worth the name.

It is no use, we fear, to call upon the government to pause and weigh well the consequences of its proposal. We can only raise a voice of warning and protest against a policy of which the fruit will be bitter; which will be regretted when too late, and the mischief it must cause has been done.

CANADIAN SHIPPING AND FISHERIES.

Hon. Peter Mitchell's report on the Marine and Fisheries of the Dominion for 1872 is a valuable repertory of information relating to a class of subjects of much importance. A remarkable familiarity with maritime affairs, a thorough, earnest and practical method of dealing with them, and an evident enthusiasm in the discharge of his duties are qualities that render this Minister peculiarly fitted for his post; and we are only awarding credit where it rightfully belongs, in saying that no department of our public affairs is administered in a manner more completely satisfactory to the people than that over which Hon. Mr. Mitchell presides. It was really imperative that a great deal of legislation regulating and directing our growing commerce should be passed; few could have dealt with these subjects with sufficient intelligence to remove existing difficulties without committing serious and expensive plunders, and it is, therefore, peculiarly fortunate that the various questions are being disposed of promptly by a master hand, in a manner with which few have even attempted to find fault.

OUR SHIPPING INTERESTS

take a prominent place in the Blue Book before us. We glean a few interesting facts. In 1871 an act was passed providing for the examination of masters of vessels, and the certificates of qualification granted are acknowledged in the United Kingdom as equal to those issued by the English Board of Trade. Up to the end of 1872 these certificates had been granted to 235 persons. The total registered shipping of the Dominion on the 1st July, 1867, the date of Confederation, including steamers and sailing vessels of all kinds, wood-boats and