

Rise in Freight and Passenger Rates.

A little while ago the newspapers contained references to movements instituted by the organized employees of a number of railways in the United States for increase of wages. The argument used was one which has been frequently heard in late years, viz.: the high cost of living. The railway companies were told also that extensive strikes would be called on them if they refused to accede to the demand of the men. In most cases the men got increase of pay, perhaps not equal to their demands, but still an advance on the former scale. Now the public is witnessing the natural result of the wage increases. The railway companies are all putting into effect schedules of higher freight rates and raising passenger fares. There is every reason to suppose that the increased rates charged for transportation will more than offset the increased outgo in connection with the pay sheets. The Manufacturers' Associations in the States are vigorously fighting the increases, but it is difficult to see how they can prevent them. Perhaps they are a little late in instituting their campaign. In the future it may happen that bodies of shippers who are desirous of keeping transportation charges down will begin their campaign when the unions make their demands for higher wages.

An Instance of Municipal Good Luck.

City Treasurer Robb, in his annual report for 1909, gives the interesting details of one piece of financing which netted the city a good profit. An issue of £650,000, forty year 4 p.c. bonds was offered on 18th June, to public competition. As the bids did not come up to the expectations they were declined and £500,000 borrowed in London on three months treasury bills at less than 2.70 p.c. They were renewed till the end of November at 2¼ p.c. and £300,000 were then paid off. The whole loan was retired in February, 1910.

As some of the works for which the loan was contracted were postponed, the city had a considerable part of the proceeds on deposit with Canadian banks during the period; and the rate of interest it received was higher than the average rate paid on the loan.

Mr. Robb also says: "Not only was this the case as regarded the cost of the money in London, but the prevailing rates of exchange enabled us to sell our sterling bills at a substantial premium. An altogether unique condition of things and one which will probably never occur again."

Reciprocity with the United States.

The following resolution passed by the Montreal Board of Trade will, we imagine, commend itself to most of the people of Canada, as a fair expression of their views

with regard to the question of a Reciprocity Treaty with the United States. It reads:

Resolved—That in view of the marked progress being made at the present time by this country, and the great future which lies before it under a continuance of present conditions, this council is of the opinion that the time is not opportune for a treaty of reciprocity with the United States.

That, while being in favour of Canada maintaining the most friendly relations with the United States, the council considers that the very causes that commend a reciprocity treaty to its people, that is access to our undeveloped natural resources and an extended market for their manufactured products, are from our point of view those for which Canadians stand to lose most, and that this country cannot afford to endanger its growing manufacturing industries or to have its natural resources exploited for the benefit of the United States.

That the council believes that before long the United States will in their own interest allow free entry to our natural products, and, therefore, that no concessions such as are inevitable in a reciprocity treaty are either necessary or advisable.

That, above and beyond material points, reciprocity with the United States must inevitably tend towards a slackening of the tie that bind us to the Mother Country, and that this council takes the strongest stand against anything that would even remotely work to that end, being convinced that our every interest, either of business or sentiment, requires that Canada shall remain a part of the British Empire.

The Bounty on Wire Rods.

It has been supposed by some that the bounty on wire rods had been actually discontinued, but that is not the case. What has happened is that the Finance Minister has introduced a resolution stating that it is expedient to discontinue the bounty a year from now—in June, 1911. Also he has instituted the necessary steps to enable the Government to stop the bounty on giving six months' notice. In the case of wire rods the Government preferred to pay the bounty rather than to place a duty upon importations. The iron and steel manufacturers are supposing that it is Mr. Fielding's intention to take rods off the free list when he ceases paying the bounty. Under the bounty plan consumers of wire rods in Canada have perhaps been getting them cheaper than they would if there were a duty. Canadian rod manufacturers were paid a bounty which was contributed by the general body of tax-payers. Under a duty, assuming that the price of rods in the Canadian markets rose to correspond with the duty, consumers of rods in Canada would contribute to the encouragement of the industry. The Public Treasury, and with it the general body of tax-payers would be relieved.