

to the combined specific and *ad valorem* duties, which, so far as can be judged by the trade returns, bear harder on Great Britain than on the United States. The specific duties by the yard or by the pound weight amount to a larger percentage on the invoice value of goods from Great Britain than from the United States. The attack on the duties on iron was chiefly on what may be termed quasi raw material, such as pig and sheet iron, boiler plate, etc., which are extensively used in manufactures. On the assumption that it would be desirable to repeal the duties on the descriptions named, it would follow almost as a necessary consequence that the duties on the more highly manufactured articles should likewise be reduced, as those on the one class are proportionate to those on the other. When it was found necessary to raise a larger amount of revenue by duties on customs, it of course had to be considered whether raw materials could any longer be admitted either duty free or at a low nominal duty. It was deemed expedient to increase them, and concurrently the duty on the manufactured articles was increased so as to give to the manufacturer an equal protection to what he had before. The principle was not applied in every case, as there are still raw materials, such as cotton wool, admitted free. When, however, a proposition was made to reduce the duty on pig iron, sheet iron and boiler plate, it should have been accompanied by a proposal to reduce proportionately the duties on the manufactures in which those articles are used. We doubt the expediency of attacking the tariff in detail. It is admitted to be a strictly protectionist tariff, but consistently with that principle it has been framed with a good deal of discretion, and the iron duties especially have been carefully adjusted.

#### THE FRENCH TREATY.

It is certainly rather strange that so much mystery is preserved in regard to the French commercial treaty. There has been a treaty concluded with Great Britain which, though by no means what the Government of that country desired, is precisely what would suit Canada, which occupies a position in relation to France very similar to what the United States does. The latest accounts are, that a treaty is about to be concluded between France and the United States, probably very similar to that recently negotiated with Great Britain. What then can be the hitch in the way of a satisfactory treaty

with Canada? We are told that certain points have been raised by the French Government, and that they are of so much importance as to cause Sir Alexander Galt to come out to Canada for the purpose of conferring on them. Our whole export trade to France is insignificant, amounting only to about \$600,000, of which over \$600,000 is lumber, which in all probability it is compelled to take. When we consider that Great Britain takes nearly \$15,000,000 of our lumber free of duty, and the United States over \$8,000,000, it cannot be worth our while to make any sacrifices to obtain a paltry increase of our exports, and especially as France, for her own purposes, has reduced the duty on ships, which was our principal cause of complaint. It is said that the great difficulty is, that we cannot make special arrangements with France without discriminating against Great Britain. This, if correct, is an intimation that France assumes to interfere with our tariff arrangements, an interference that we will not tolerate from Great Britain, which is not only our mother country, but which receives all our exports free of duty. We scarcely think that our protectionist Government would venture to propose to the Dominion Parliament to reduce the duty on French manufactures, and to discriminate against Great Britain and the United States. Our chief imports from France are brandy and wine, and as the duties on those articles are strictly for revenue, and as there is no competition in them with Great Britain, there is really no object in reducing them. We cannot conjecture what particular article or articles of our imports Great Britain competes in with France, but if the latter country should be so unreasonable as to claim discrimination against Great Britain, it must of course be met with a firm denial. It was a fatal mistake to make an application to France for alterations in its tariff. The proper scope of commercial treaties should be simply, that the nations concluding them should not discriminate against one another in favor of any other country. Each nation should regulate its own tariff according to circumstances. In carrying out such a policy, Canada is as independent just now as if it was separated from Great Britain. It cannot be shown that Great Britain has the most remote interest in preventing Canada from concluding commercial treaties with any country, and if the latter were independent to-morrow, she would be compelled to admit British imports on the same terms as the most favored nations, just as France and the United States do at present. There is a good deal of misapprehension

in England as to the objects of Canada in its endeavors to conclude a treaty with France. Our whole difficulty has been caused by the French anomaly of two tariffs, the effect of which was to place Canada on a footing of inferiority in respect to nearly all the other countries with which France had commercial intercourse. There can be no doubt that the true policy is to insist on not being subjected to discriminating duties in France and if our just claim be refused, to resort to retaliatory measures, which would be strictly justifiable under such circumstances. It cannot be shown that if we were independent to-morrow, we could protect ourselves against aggression in any other way, and as we should have to include the most favored nation clause in all our treaties of commerce, we could make no special agreements as it is said France is desirous of extorting. We believe that the Opposition members would have rendered better service to their country, if they had endeavored to elicit from the Government the nature of the difficulty with France, and if they had called attention to the very serious errors which have been made in the course of the pending negotiations.

#### THE QUEBEC RAILWAY.

The Hon. Treasurer of Quebec has prepared no less than fourteen statements with reference to the sale of the Q. M. O. & O. Railway, which, however, include statements of the receipts and expenditure of the Province since confederation, of the estimated receipts and expenditure for the coming year, and the amounts paid, and liabilities incurred for the various subsidized railways in the Province. There are also a number of statements exhibiting the comparative advantages of the various offers made for the purchase of the Q. M. O. & O. Railway. We can come to no other conclusion from an examination of these statements than that the sale of the railroad is desirable. There are still due to railways for unearned subsidies over \$1,500,000, and it would require over \$1,000,000 to complete the railway which has been conditionally sold. The statements are not a little alarming, and must, if the Province is to escape bankruptcy, render it absolutely necessary that the revenue should be increased or the expenditure diminished. We are inclined to take exception to one of the most important statements, which gives the average annual deficit at \$580,605. This is exclusive of railway traffic receipts and expenses. But why are these excluded? In the estimated payments the