

The Monetary Times

AND TRADE REVIEW,

With which has been incorporated the "International Journal of Commerce" of Montreal, the "Trade Review" of the same city (in 1870), and "The Toronto Journal of Commerce."

ISSUED EVERY FRIDAY MORNING.

SUBSCRIPTION—POSTAGE PREPAID.

Canadian Subscribers.....\$8 a year.
British ".....10s. sterling a year.
American ".....\$2.50 U.S. Currency

BOOK AND JOB PRINTING A SPECIALITY

Office—Nos. 64 & 66 Church St., Toronto, Ont.

EDWD. TROUT, MANAGER.

TORONTO, CAN. FRIDAY, FEB. 2, 1883

THE U. S. TARIFF AND CANADIAN LUMBER.

The United States senate has voted to place in the free list the following products of the forest. The figures opposite the several items show the quantity imported each year, the value, amount and rate of duty :

IMPORTS.		Quantity.	Value.
Timber, hewed and sawed	72,898 cu. ft.	\$ 5,233	
" n. o. p.....	185,479 "	26,141	
Boards sawed, hemlock &c	46,845 M. ft.	413,635	
" " other.....	496,008 "	6,143,837	
" planed.....	3,548 "	50,064	
Laths.....	163,085 M	168,429	
Shingles.....	99,154	244,620	
Clapboards, pine.....	1,144	11,424	
" spruce....	2,006	25,829	
Total.....		\$7,089,213	
		Duty.	Rate.
Timber, hewed and sawed	\$ 1,047	20 p. c.	
" n. o. p.....	1,855	1 c.	
Boards, sawed, hemlock &c	46,845	\$1 per M	
" " other.....	992,007	\$2 "	
" planed....	7,342	Various.	
Laths.....	24,463	15 c. per M	
Shingles.....	34,703	35 c. "	
Clapboards, pine.....	2,289	\$2 "	
" spruce.....	3,009	\$1.50 "	
Total.....	\$1,113,561	15.7 p. c.	

The smallness of the quantity is accounted for by the high duties, which average over 15 per cent. Should the House concur with the Senate, in abolishing these duties, the importations would largely increase, and Canada would supply the material. If these articles were admitted free we should probably send to the States not less than twenty million dollars worth of them every year. Prior to 1872, the duties on these articles were less than they have been since. As these several kinds of wood are mainly in the nature of raw material to be worked up into various kinds of manufactures, the national interest is clearly to admit them free. The increase of duties was avowedly in the interest of lumberers. The *Public* shows what followed. In 1870 the U. S. lumber trade employed, in the bush, 149,871 hands, in 1880, 147,956 ; the wages paid in the former year was \$39,966,817, and in the latter \$31,845,874 ; in 1870 the average wages per man was \$266, in 1880, \$215.67. It is evident that the workmen have not benefited by the change, since fewer of them have been employed and at less wages. The materials employed have increased in value and presumably in amount ; the year 1880 showing \$146,155,385, and 1870, \$103,102,393. A less number of hands, at less wages, has produced more ; the figures being, 1880, \$233,268,729, and in 1870, \$209,852,527. The re-

sult to the laborers was a reduction from 89 to 72 cents a day, counting 300 days in the year. Nor was the position of the employer improved, but the contrary, the net value of the produce, after deducting cost of wages and materials, being reduced from \$66,783,317 to \$55,267,380, or about 16 per cent. The consumer however paid about 42 per cent. more ; the figures being \$146,000,000 against \$103,000,000. Judged by the result, these duties stand condemned.

Who then has benefited by these 30 per cent. duties ? The owners of stumpage or live trees who sell them standing by the thousand feet, have been able largely to increase the price to the working lumberer. Stumpage, as this purchase money is called, has gone up from 50 cents to \$2.50 a thousand feet, and owners are beginning to demand \$4.50. If the diminishing quantity of pine enabled owners of trees there to raise the price, that was a good reason for supplementing the home supply by importations, on the most favourable terms, from abroad.

The American lumbermen are a peculiar race. They have a wonderful faculty for blowing hot and cold. When the high duties under which they take shelter appear to be safe and they want to get up a "boom," they give out that the country has only eight years' supply of timber left—if this were true it would be the best possible reason for removing the import duties—when the duties are threatened, they suddenly discover that there is still left a good half century's supply. The fate of the tariff bill is still uncertain, in the name of all that is reasonable ; these lumber duties ought to go. If that were done the Canadian Government, even on its own principles, ought voluntarily to abolish the coal duties.

INSOLVENCY.

In another column will be found a further communication from Mr. Evans on this subject. In addition to this we have had a number of other letters, some intended for publication and some not, but all necessarily held over, for the present at least. The importance of the subject to the mercantile community is emphasized by the interest evinced in this correspondence. We propose referring briefly to only a few of the points made by the various writers.

A Toronto correspondent objects to our remarks about the present slow and expensive means of closing estates. This proceeds upon a misapprehension of our position. When debtors are willing to give everything they have into the hands of a trustee for the general benefit of creditors, and when they have been guilty of no wrong-doing and of giving no preferences, liquidation is a simple matter. In our remarks we made no reference whatever to such cases. The unfortunate part of the business is that there are many debtors who make improper disposal of their estates. Preferential payments and assignments are too common. Many debtors prefer dealing with their estates to suit their own views instead of handing them over to their creditors. In one sense the honest man needs no law—he is a law unto himself. It is the fact that debtors frequently do with their property as they ought not and that they decline to yield it up to their creditors,

that makes a law for compulsory liquidation necessary.

A number of our correspondents go more or less into the question of the propriety of granting discharges. We must decline, for the present, to enter into any detailed discussion of this branch of the subject. The signs of the times indicate that there is no present prospect of a law being passed covering discharges in any shape. The coupling of discharges with the distribution of estates would only result in neither being granted. Those whose interest requires the immediate enactment of a law for the distribution of assets, cannot afford to defeat the object in view by asking for legislation on the other point as well. This much we may, however, say : none of our correspondents appear to us to go to the root of the question. The man who incurs an obligation should discharge it, or otherwise satisfy his creditor. This is the almost universal rule applied to all persons except those engaged in trade. The real question to be considered is whether the circumstances justify an exception in the case of traders. In considering that subject, care should be taken not to lose sight of the fact that the facility for obtaining discharges has done a great deal to cause overcrowding in business and to occasion that risk in trade which is usually given as the reason why such discharges should be granted.

Mr. Evans still insists that the title to the estate should remain in a committee of creditors. From this view we must emphatically dissent. It has been usual to cast most of the odium of the maladministration of estates under the Insolvent Act upon Assignees. Justice demands that creditors should bear their full share of the responsibility. They had themselves to blame for most of the abuses that existed. Besides it is always an objection to have a title to an estate (especially where it includes realty) in a number of persons. Further complications would arise out of the fact that these creditors would be treated not as bare trustees of the property which they held but as having, in a sense, a beneficial interest therein. The death, removal, or failure in business of any of these creditors would occasion practical inconvenience and trouble which would be much more than commensurate with any advantage that might be gained. If the provision of the former law about the Assignees furnishing security was ineffective, creditors and creditors only, were to blame therefor. The law furnished them with the complete means of securing themselves. If they failed to take advantage of that protection the fault was their own.

Distribution through the Registrar need occasion no more red tape or formality than the distribution by the Liquidator. Nor is it necessary that creditors should go to him for their dividends. It might be made part of his duty to distribute them as it was formerly the duty of the Assignee.

As to appointing the debtor the liquidator, we can conceive of nothing more objectionable. Any security upon personal estate in the hands of a debtor is always of questionable value. The debtor as liquidator carrying on business under such circumstances would be in no better position than any other unless he were allowed to purchase new goods. If he were allowed to do so the