

decreed that such a radical reformer as Kuang Hsii would be better employed in offering sacrifices to his Chinese gods, and in hanging silk balloons before the tablets of his ancestors, the unbroken line of whom extends back before the lifetime of our Lord, than in bothering his head with Western civilization. However, the amiable Kuang Hsii is not the first reformer who has found his self-assigned task an arduous one.

A British Balance Sheet.

The speech of General Kitchener at the banquet given in the Egyptian Hall of the Mansion House, last Friday may have been, as described by cablegram, "modest and not important." But the Sirdar, as the guest of the city of London, had evidently calculated the effect upon his countrymen of an appeal to the practical business character of the "nation of shopkeepers." In proof of his modesty, he seems to have avoided any lavish praise of the officers and men of his command, preferring to content himself with a simple soldierly reference to the impossibility of defeat happening to a capable leader of such a force as he, the Sirdar, commanded in the Soudan.

Modest and unimportant! We do not know if anything else was expected from the Sirdar's reply to the toast of his health virtually proposed by a grateful nation. But he could not have displayed a quality more likely to make him the idol of the British taxpayer when future wars are found to be unavoidable than by this claim to have conducted the late campaign as cheaply as creditably. His statement of assets submitted to the Queen's subjects throughout the world was also highly satisfactory. Six hundred miles of railway, gunboats, a flotilla of sailing craft . . . and the Soudan.

The Sirdar's speech was admirable in its brevity, and charming in its conciseness, even if "modest and not important."

Income Tax upon Colonial Investments. We print elsewhere in this issue a very interesting decision of the House of Lords, upon an appeal by the Scottish Provident Institution, of Edinburgh, from the Supreme Court of Victoria, Australia. It will be noticed that the judgment contains some references by the Court to the business of mutual life insurance companies, and it also illustrates how prevalent is the practice among insurance companies (referred to in Mr. Spencer C. Thomson's address to the Actuarial Society of Edinburgh), of seeking investments in quarters of the globe where the companies do no business, and how in addition to falling rates of interest they have to suffer a further reduction in annual income by the taxes levied thereon.

North-West Crops.

A correspondent writes that the weather has at last cleared up, and the reports as to the great loss to the crops on account of the autumn rains are very much exaggerated. The actual loss will amount to a small sum.

LORD SALISBURY'S LATEST UTTERANCE.

The Prime Minister's speech at the Lord Mayor's Banquet, in London, is generally regarded as the most important extra-parliamentary utterance of the year. Never had prime minister more important questions to deal with than had Lord Salisbury last night. While the speech was pacific in tone, and contained nothing calculated to irritate anybody, while its evidently studied moderation showed the Premier to be sincerely anxious to preserve the peace of Europe, it was nevertheless a calm announcement of the fact that Lord Salisbury feels himself to be the master of the situation. It was the official announcement of a diplomatic victory as complete in its way as the military victory at Omdurman. A British foreign minister works under great disadvantages. Patriotism and common sense forbid him to take the public into his confidence at every step, and consequently his actions are constantly criticised with a freedom of absolute ignorance or, what is perhaps worse, an imperfect knowledge of facts and conditions prevailing.

Here are the significant points in the Premier's speech:

That Europe has just been relieved by the common sense of France from a very dangerous and threatening storm.

That the immediate necessity for the unusual naval and military preparations made by Great Britain has passed away.

That the preparations have not stopped, "because it is impossible to stop them at a moment's notice."

That the Government, being satisfied with the existing condition of affairs for the present, does not contemplate the immediate declaration of a protectorate over Egypt.

That he does not pretend to prophecy what may happen in this connection, if Great Britain is forced by others into a position that she does not occupy now.

That the position of England in Egypt is not the same now as before the fall of Omdurman.

The Premier in other words points to a bloodless victory for Great Britain. He claims a distinct advance for England in Africa won without a single hostile act against any European power. He has taken a long step towards regularising the British occupation of Egypt and he has made it abundantly clear that the process will be completed if the attempt is made by any European power to interfere with a position which Great Britain regards as perfectly satisfactory for the present.

Lord Salisbury has endured much criticism during the last two or three years, but he appears to have known his business as well as his critics. He chose the time when England was enjoying the unusual privilege of the cordial friendship of the United States and Germany to bring questions which have long threatened the peace of Europe to a definite crisis. He has compelled France to recognize the diplomatic