

opened and examined, say No. 3. The invoice is then carried to the cashier, but on the road a figure 2 is prefixed to the figures representing the contents of the case checked, and this makes the footing correct. The duties are paid, and the merchant is then permitted to remove case 1, 2, and 4, leaving sample case three in the hands of the appraiser. To correctly represent the contents of the cases the figure 2 should be prefixed to all the cases. In this way duty is paid on 500 dozen only, when it was due on 1,100.

We are quite aware that false notions exist to some extent with reference to the payment of duties and other revenues to the Government. "It is no harm to cheat the Government providing you are not caught," is a phrase which expresses this immoral sentiment correctly. There are some who would not object to pass a fraudulent invoice through the Custom House who would not wilfully defraud a private individual. It is the duty of the Government and all its officers attached to this branch of the public service to see that the revenue is faithfully collected. Any laxity on this score has the effect of putting a premium on fraud, or what is the same thing, discriminating against the honest importer. But this object, we are convinced, can be accomplished both in the United States and in Canada otherwise than by continuing a system so fertile in the gravest abuses, and which the larger experience and sounder policy of England has long since abolished.

THE FUN OF BANKING.

Under this heading a commercial journal dashes off the following excellent piece of raillery at the prevalent fondness for "the banking business," which had developed almost into a mania in the United States before the late crisis exploded this along with numerous other financial fallacies, which owed their origin to an inflated and irredeemable currency:—

"The profits of all business are equalized in the end. During the last few years everybody wanted to get into the banking business, and really ambitious fellows were not content with one bank, but wanted half a dozen. Nothing, it seemed, would make money like money. The business of gathering up the savings of the credulous, and lending them out to the visionary, seemed to be the most profitable occupation ever invented. It needed no capital and no experience. Boys rushed into it, and appeared to be making fortunes that caused gray-haired and plodding industry to feel culpably stupid. Men who could not have borrowed a dollar without security had only to open an office, and put the word 'bank

"in big gilt letters over the door, and no end of people would give them their money. This sort of thing was very well, and nobody dreamed that it might suddenly come to an end; but it did. Instead of putting in money, the people, who are as timid as they are credulous, have begun to want it out, and almost anything is pleasanter now than the banking business. One bank will make a man miserable, and with half a dozen his case is hopeless. There has been a tremendous shrinkage of such values as bankers hold, which in some cases have reached the vanishing point, and great fortunes and small have been suddenly lost. Gray-haired and plodding industry suffers incidentally, as the innocent always suffer for the guilty, but it is ashamed of its old discontent. It is well satisfied not to own a bank."

While we do not pretend that there is any analogy between the financial position on this and on that side the lines, we still think that banking is thought very great "fun" by not a few among us. This would seem to be implied in the long list of new banks incorporated at every session of Parliament. So much is the "fun" of organizing banks appreciated that it is thought not an unlikely venture to get a bank charter through the House as a speculation, for some one can usually be found to buy it. The danger of this kind of sport is that inexperience and incompetence are introduced to the bank parlor, and not only mediocrity but even stupidity thrusts its legs under the Directors' table. When this kind of material takes the place of brains in the Board Room, and eager competition cuts profits down to the minimum, then sets in the era of kite-flying—six and seven per cent for deposits—anything in fact to keep appearances up and perpetuate a useless existence."

"The profits of all business are equalized in the end." This is as true as gospel. A rush to get into any kind of business is invariably followed by an equally vigorous scamper to get out again. It is so in trade, so in manufactures, so in banking. It is easy to pass the limit, but not so easy to retrace one's steps. That involves disappointment, loss of capital, and loss of time. While our banks are generally doing well, we do not advise our friends to invest further in the banking business. They can do very much better. There are banks enough now to accommodate the wants of the community, and we could get on very well for a good while to come without any further additions to the list.

MANUFACTURERS IN COUNCIL.

It would be impossible for the most strenuous opponent of the objects for which the meeting of Tuesday last in the Rossin House was called, to deny that it was thoroughly in earnest, or that it was a fair representation of a rising and powerful interest in this country. The proceedings were of a business like character throughout. A general discussion of the objects of the meeting was first in order, the chief of which was explained by Mr. Simpson to be "To obtain an advance in the tariff on such productions as either were made or might be made economically in Canada." This statement, along with others of a somewhat similar import, and especially the definite recommendations of the general committee as to what rate of duty should be imposed on the various classes of manufactures seeking protection, place before the public in a clear light and for the first time just what it is that the manufacturers are seeking. Hitherto the questions of free trade and protection have been discussed amongst us pretty much in the abstract. But the action of the manufacturers will now bring the discussion to a point, and tend to prevent misunderstanding and misrepresentation. Instead of splitting on general and ill-defined terms, the test question with the manufacturers will hereafter be: Do you or do you not approve of our policy, and will you lend it your influence and support?

We have never entertained a doubt as to the soundness of free trade as an abstract principle; but with our fiscal necessities in view, it is idle to discuss mere abstractions. The whole people of this country are committed to a policy of incidental protection, as exemplified in the present tariff; and no one now demands a change in the direction of free trade, either for ethical reasons or from motives of expediency. But the present tariff is not a protective tariff in the sense of being levied for purposes of protection; but to raise a revenue. And this is the only admissible basis on which a system of import duties can be placed. The ground we take is that the first object of a tariff is revenue; and that in framing it this consideration should be paramount. This point being definitely settled, questions of adjustment for the purposes of incidental protection are next in order. It will never do to concede that duties may be levied for the sake of protection. Once we depart from the general principle above laid down, we drift out into a sea tossed by conflicting interests, and without chart or helm. If we concede that it is right to levy a duty of 30 per cent. primarily for the purpose of protecting a given interest, there is no logical