

bear no interest, and they put out of the reach of purchase by the Government the bonds by which they are secured. The deposits were made as a means of preventing the mischiefs which an abnormally full treasury would otherwise cause to the public, and as a temporary expedient, though a poor one, it may have been justified. But it was contrary to the general policy of the nation. The independent treasury was the result of losses which the Government sustained by depositing in banks. But this was at a time when broken banks were as plentiful as mushrooms in October; the present loans being secured, no loss from them could result. The deposits will be gradually withdrawn, and if the treasury be relieved no harm will be done. The worst that may happen to the depository banks will be that they may have to sell the securities by which the deposits are secured, and they will not make money on the securities and the deposits too.

PRESIDENT HARRISON'S FIRST MESSAGE.

Tariff revision, recommended by a Republican President of the United States, is now likely to come. The President lays down the principle, entirely unassailable, that the revenue of the Republic ought to be cut down till it is no more than sufficient to meet the needs of the public service, including the legal contribution to the Sinking Fund. The existing surplus he would employ in the reduction of the debt. This policy is one which the Democrats cannot well oppose, certainly not with success, and it must receive the approbation of all reasonable minds. The reduction may of course be partially effected by a lowering of Customs duties and partly by removing or lessening excise duties. The manufacturers will use all their efforts to make the whole reductions fall on the internal revenue. But this is not the view of the President, who sees the necessity of a reduction of the Customs duties. He favors an extension of the free list, in articles not competitive with domestic industry. The other reductions he hopes to see made in such a way as "not to impair the just and reasonable protection of our home industries," the inference being that at present there are protective duties abnormally high. Only two items are mentioned which might be freed from internal or excise duties, tobacco, and spirits used in the arts and manufactures. This suggestion is likely to meet opposition from anti-tobacco people and those who fear that the partial removal of the spirit duty would be likely to lead to serious abuses. This programme, in its main features, is one which must be carried out sooner or later, and when a Republican President thinks the time has come, we may conclude that the hour of tariff reform is about to strike. Of course the reduction of the American tariff would bring a large reciprocity arrangement between Canada and the Republic nearer to the limit of possibility.

On the silver question the views of the President are not less sound. He foresees that if the present coinage of that metal is

to go on, the time must come when gold and silver will part company. The bullion values of the two metals must be taken into account in any safe legislation on the subject. So says the President, and to the soundness of his views it is impossible to take exception. The reform suggested would require the silver dollar to contain about one-third more metal than at present. If this were required the silver men would have no right to complain, for they would only be placed on the commercial footing on which many industries now stand, and which all must ultimately accept.

The Government of Canada gets credit, in this State document, for having made an effort "to administer the laws and regulations applicable to the fisheries with as little occasion for friction as was possible." At the same time, the President seems to imply that the Americans have some rights under existing treaties of which they are not actually in possession. Whatever this may mean, he hopes that a way out of the difficulty will be found in connection with concurrent legislation. No fault can be found with the disposition here manifested. The particular plan of settlement can best be discussed when it is presented. Provision for marking the boundary line between Canada and the Republic in the neighborhood of the St. Clair Flats Canal is recommended. To an enlargement of the schedules of extradition Mr. Harrison is distinctly favorable. In one respect, on a cognate subject, he seems to be going towards the other extreme, when he recommends revision of the naturalization laws so as to exclude "enemies of our governmental system" not only from the right of naturalization, but also from the privilege of domicile. The reference is presumably to notorious Anarchists or avowed Socialists of a dangerous class. Another danger not less grave will survive. Henry George's theory offers as great a menace to social order as the worst form of European socialism or even avowed anarchy, for its success would replace the free Republic by the tyranny, confiscation, and universal misery of the Social Republic. That the nation must protect its life against Anarchists, and equally pestilent Socialists, Mr. Harrison is apparently convinced.

THE COMING SESSION AND THE TARIFF.

In the last two sessions of the Dominion Parliament, the Minister of Finance set his face against any further increase of the tariff. To outward appearance, he had no great difficulty in carrying out this resolution. A knowledge of the fact that the fiat had gone forth probably prevented many attempts that might otherwise have been made to secure an increase in favor of this or that industry. On the whole, the experiment succeeded remarkably well, and it might now be used as a precedent with advantage. Unless the resolution not to grant an increase of the tariff as a concession to importunity be announced at an early date, the Government will be assailed with endless applications by interested parties. The best way would be to let it

be understood, at the outset, that no increase of the tariff can be sanctioned.

Any increase of Customs duties on manufactures must have the effect of raising prices, and consumers would suffer. The largest body of consumers, the farmers, are not in a condition to have additional strain put on their resources. For several years past everything has gone against them. The decline in the price of produce has been heavy. In a single year, the price of barley has gone down nearly one half. As an instrument of production, farming land has lost a notable portion of its value. There has been some compensation in the shape of improved machinery, but it is not equal to the loss on the value of farm products. Improved machinery is costly, and it is only on the larger farms where it can be most extensively utilized that the full benefit of it can be realized. On small farms the cost bears a large proportion to the benefit, and besides the convenience of rapid operations, the gain is not much. But not only has the price of produce declined, the yield, in the older settlements, must, with our present system of farming, decline. The United States average of wheat is less than thirteen bushels to the acre. This arises partly from the vast waste of manure in towns, which is drained off in the form of sewage, and partly from the fact that if all the manure produced from every crop were returned to the land, there would still be a gradually accumulating deficiency of crop nutrition, unless it were made good by artificial manures. By the present way of going on the productive energy of our farms must continue to decline; can we hope to stop till we have reached the American average? Even that average must reach a lower point unless a change of method takes place; there is no resting place, no final minimum of production, as the abandoned farms in the New England States testify.

Nothing is more difficult than to change for the better a country's system of agriculture. If the necessary knowledge be present, and it is not always to be found, a thorough system of recuperation requires capital, which is sure to be wanting. Clay soils require to be underdrained, and it becomes a problem whether, while so much virgin land awaits cultivation, the improvement would yield an adequate return on the investment. The competition between new soils in the west and old farms in the east resolves itself largely into a question of carriage. From the new soils larger crops may confidently be relied on. And the competition of new soils is not confined to any one country. The United States, India, and Russia are all competitors with Canada. In the Republic the day of free homesteads is about at an end: the public lands in the hands of the Government, fit for agriculture, are nearly exhausted. There are lands with which the Republic has tempted the construction of railways, and which the railways have made valuable. In the instrument of production, land, Canada has an advantage over the Republic; but the fact that prairie lands are plentiful and cheap in the North-West does not help the farmers in

the east. The sole the latter over the higher average of pro does not possess the e Precisely what has the competition of India is as yet uncertain. receives his pay i which, as a means country with a g only about two-thr this way, cheap pro still cheaper. But t its lowest point, in vators of the soil, wh a lower ration tha Indian cheapness-of further. But it is an at the present cost of exportable wheat ca On this point ther opinions differ. In sia, deterioration of does in the United degree in Canada. time, new lands m the defects of the ol

On the whole Ca tinue to meet severe tural produce from v prospect of a consi unless from excep causes which cannot on, is not discernib strain on agricultu At such a time, and before us, an increa than the most press —and such neces would savour of a And even from the view, it would be th It would raise a which would proba at the polls, in whi would be in danger reversal, if not abs

THE CONFLAGRATION AND

In quick successi disastrous events and at Boston last loss of a vast amou case of Lynn, the only estimated at of dollars, is not a buildings of the bu cipally of wood. boiler-room of a fra premium on which per cent. It bur ground, and the l of the boot and sh largest shoe man world. One hun and 42 brick bui destroyed. It is e families in that homeless, and 8,0 employment.

The Boston fire out in a six-storey by the firm of Jo occupied by Durre chants. The b