

obliged to go upon the value of the property, and if they take cost as the synonym of value, they are liable to get very far away from the actual productive value. Adam Smith went so far as to say that buildings which produce no rent should pay no taxes. There is, in fact, no fund out of which taxes can be paid. But it is easy to see why unproductive property has, in this new country, been subject to municipal taxation. Wild lands were formerly exempt, and the exemption encouraged speculative holders to keep them from cultivation. The municipal tax comes as a species of fine on speculative holders. The imposition of the tax was justifiable, although only partly so on economic grounds; but the rule received too general an application when it was indiscriminately applied to all city property.

Let us return to the ecclesiastical edifice. There is no economic sense in which it can be said to be productive. But it is fair to assume that in this, as in other cases, ownership stands in lieu of or saves rent. The real question is, what the rent of the edifice, with the ground attached to it, ought to be? The question of paddocks, attached to houses, presents a different problem, but the solution is the same. What will the house with the land attached to it rent for? It is certain that it would rent for less without the land; what will it rent for with it?

We do not see how the question of exemptions can be satisfactorily dealt with till the assessment is based on the annual, and not, as at present, on the capital value. This change would greatly facilitate the settlement of a difficult question.

A man who sinks capital in the ornamentation of buildings may or may not act wisely for his own benefit. But he cannot fairly be taxed in respect to capital which has ceased to be reproductive. Nor should the ornamentation of cities be discouraged by what would, in this case, be in the nature of a fine. Such ornamentation, if done according to the rules of art and good taste, is in some sort a public benefit. The public can enjoy it not less than the owner; and the man who invests capital in this way is not wholly a selfish man. He ornaments for the public eye, doubtless with a view to his own gratification, but he must permit others to share the pleasure which is derived from the contemplation of beautiful objects. If a large amount of capital were wasted in this way it would be a public evil; but even then the way to check it would not be by levying a fine on its indulgence.

### CHEESE.

The article of cheese has been well handled this season, so far, by the factory men. We urged them three months ago to sell promptly to the highest bidder two to three times in the month, in preference to holding for future high prices which might or might not be realized. Whether they took our advice in June or not, they have sold pretty freely up to the middle of July; when, the weather being cool, there seemed to be a unanimous decision arrived at among the makers that *they* would shape the course of events and markets to suit themselves for the remainder of the season. Consequently there was very little done in the way of selling in the early part of August; and about the middle of that month, buyers concluded that if they wanted the cheese they had better be stirring; whereupon a considerable movement was made in the upward direction, and a very large amount of cheese sold, including July make, from 9½ to 10½c. and for the balance of the season at from 11 to 12½c according to the locality and reputation of the cheese. This latter move we consider a very prudent one on the part of the factory men.

It is true that this week has witnessed a remarkable bound upward in prices, a bound which we consider unwarrantably great, and under the circumstances altogether speculative and unsafe. The prices paid in Ingersoll on Tuesday last, 12½ to 13c, were a half cent beyond the highest figures paid by American buyers at the Little Falls market on a like date. The advance paid here was evidently based upon the stride in the English market from 51/- to 60/-, but those amongst us who pay the prices of to-day are buying with the chances of profit against them. Sixty shillings per hundred weight of 112 lbs. means something less than thirteen cents per pound in Liverpool, and, remembering that it costs two cents per pound to get it thither, under eleven cents in Toronto, yet buyers are paying in Canada this very week 12 and 13c.

The very highest known to have been paid for our cheese in the English market of late years was in 1874 or the succeeding year, which was 76/- or about sixteen and seven-eighths cents, which meant under fifteen cents here. And even this price lasted only a few weeks. There is no market in the world which will stand such prices as are being paid for cheese in Ontario; the figure in Britain may advance, but to our view cannot advance to such a degree as to make present prices safe. Those who bought earlier are of course all right, but holders at the prices we have

named are running a very great and needless risk.

Factory men who can take advantage of the present excitement and sell their stock to good men are to be congratulated. But any who may feel dissatisfied that they did not hold on longer, and so become enriched by the present spasmodic advance, may comfort themselves by the reflection that the present cannot safely be considered a normal rise, or anything more than a chance price based upon speculation.

### CANADA LIFE ASSURANCE COMPANY.

The president of this company, in his address to the shareholders at the annual meeting, very properly pointed out the apparent success of government life assurance in New Zealand during the past five years was neither a fair nor a sufficient test of the ultimate results of the system, which in England has proved a complete failure. Those who favor a scheme of government life assurance should note this fact. With the protection afforded under the existing law, if enforced, policyholders are perfectly safe. Public competition and plenty of private capital, coupled with experienced and honest management, can accomplish the good results claimed for governmental insurance. Notwithstanding the unusual depression that has prevailed during the past year the Canada Life has materially increased its annual income. The figures in the report indicate the remarkable growth of this company's annual income during the past nine years from \$182,446 in 1868 to \$660,470 last year, and the amount of new assurances has increased from \$567,894 to \$2,897,921 during the same period. The death claims for last year were considerably below the average rate of mortality, which indicates the prudence exercised in the selection of lives for assurance. The company's investments yielded \$179,997, being \$39,753 in excess of the amount paid for death claims, which numbered 77.

The company has now completed its thirtieth year, a period in its history when it is supposed to bear the heaviest burden. Yet it has paid all demands upon its funds, and increased its assets to the extent of \$331,283.

SWILL MILK AND DISTILLERY BEEF.—The Board of Health, in New York, is making a great effort to put a stop to the use of swill milk. A law has been passed, in the State of New York, forbidding the use of distillery refuse. A cow fed on this stuff will give four quarts a day more milk than when fed on healthy food; but the