

per cent. dividend was paid, \$50,000 added to Rest, something written off furniture account, and an increased sum carried forward. The statement shows a very satisfactory condition; assets readily available are in good proportion, while questionable assets are very small. There is an increase in Government and other debentures, and a slight decline in ordinary discounts.

We learn from the address of the president that the earnings of La Banque Ville-Marie during the first six months of its latest year were in excess of those of any former half-year. Unfortunately, however, it appears that the remainder of the period under review had been disastrous, for the bank did not earn, net, as much by  $3\frac{1}{2}$  per cent. as in 1888-9. The sum at Contingent Account was swept away, and that at credit of Profit and Loss reduced. However, the dividend was paid, something was written off real estate and securities, and \$6,800 carried forward. The business has been restricted, total liabilities being some \$300,000 less than they were a year ago. We should be glad to see some change in the item, "Other assets, including the stock held by the bank, \$308,848," which has been maintained at about that figure for four years. In the report of 1886 it read, "Other assets, including its own shares held by the bank." Mr. Weir made some interesting remarks upon the increase in cheese factories in the Province, and their value to the country. In the district of St. Hyacinthe alone, it appears there are 79 such factories and their annual output amounts in value to \$300,000. It would be well could we have something like an equal number of butter factories. Perhaps Mr. Lynch's pamphlet and lectures on the subject are leavening the mass.

La Banque Jacques Cartier has done fairly well during the year. Having brought forward \$18,399 from 1889, and earned \$39,511, it was able to pay seven per cent. and add \$10,000 to the Reserve, carrying forward \$12,910. The statement shows an increased business, but also shows proportionately increased holdings of specie and available assets. We observe, too, that it has been able to add a considerable sum to its deposits, which bear no interest. While there are apparently less overdue debts than in last report, it would be desirable to see a still further reduction in these and in the item "various securities." Mr. J. D. Laviolette was placed upon the board in the room of the late John L. Cassidy.

#### TARIFF LEGISLATION AT WASHINGTON.

Under the manipulation of Senator Morell and the Committee on Finance, the McKinley tariff bill has been reported to the Senate with several alterations. The resolution to report was carried by a strict party vote, which is, we think, a hopeful sign, indicating that only a change of party is necessary to bring a change of policy on the tariff question. Protests or criticisms of other nations would have no possible effect in the direction desired, and would be likely to provoke resentment. France

or Germany, or both, might retaliate, but to announce in advance the determination to do so, would do no possible good. England will not retaliate. The utmost she could do would be to remind the United States that she admits free of duty the great staples of that country, though she does so in pursuance of her own policy. The gleam of hope lies in the fact that the Democrats are opposed to the increase in the tariff now proposed, though it is not certain that if they obtained a majority in both houses they would hasten to undo what the Republicans are now doing.

Some of the changes made by the Senate Committee on Commerce will affect Canadian produce. Sawed lumber is reduced from \$2 to \$1.50 per 1,000 feet, leaving the duty still high, while mica and nickel, of which Canada might furnish some, are placed on the free list. The contest between the brewers and the farmers over the duty on barley ended by an inconsiderable concession to the former, the duty being reduced from 30 to 25 cents a bushel, still for general purposes a practically prohibitive figure. Flax is reduced from 30 to 25 cents per dozen, and cabbages from 3 to 1 cent each.

The estimated effect on the revenue is not yet ready to be announced. Two different effects will be produced. The increase of duty may in some cases add to the revenue, while in others lessened importation will cause a decrease. It is a great pity that Canada and the United States are working in the direction of tariff estrangement and isolation.

The tariff bill has encountered a formidable enemy in the Administration. The free sugar item conflicts with Mr. Blaine's negotiations with South America. Free sugar could not fail to enlarge the exports of the United States to the sugar-producing countries, to some extent, though of course these countries will buy goods where they can get them cheapest. Mr. Blaine desires that they should come under an obligation to take American goods in return for sugar. The chances are that he has offered this bait, and it has not been taken, though he professes to feel certain that it would be; the prospect that it will be is not such as to impose on Congress. Free sugar means a great reduction of revenue, and makes higher duties in other directions possible. Without free sugar, how would the excessive revenue be got rid of? The alternative is free whiskey and free tobacco, and it is one which naturally alarms the temperance people. Mr. Blaine's objection that free raw sugar would not benefit the consumer, if the Sugar Trust decided otherwise, cannot be said to be without weight. Apart from this, free raw sugar is a more reasonable thing than free refined.

Should the bill pass with a reduced rate on lumber, Canada will make a prompt return by removing the duty from saw logs, which the Government has authority to do by Order in Council. As the Harrison Administration cannot get its own way on the sugar duty, can it block legislation on the tariff altogether?

#### THE DRY GOODS TRADE.

It goes without saying that the first half of the present year has been a trying one to importers of dry goods. First the weather, which was unfavorable to spring trade, and then the poverty, real or assumed, of the average farmer, who had got but a poor return from his grain fields, made the spring turn-over a very small one. Nor, in spite of some present activity in light fabrics, brought about by the hot weather prevailing, is there a particularly bright outlook for the immediate future. It is to be noted, however, that as the trade is pretty well amongst solid houses in the West at present, importers have not had the same trouble as they might with a number of small people.

The lines of merchandise that have perhaps suffered the most are woollens, carpets and house furnishings, the latter two on account of the poverty of the country, where a carpet can be made to serve another year, while the sales of tweeds for tailor-made garments have been reduced in volume, because the country folks are using ready-mades, which means, however, an increased activity for wholesale clothiers. Manufacturers of textile and other dry goods in Canada are not, we believe, producing up to their full capacity, and the outlook for them is not so good as for general jobbers.

So much caution has been manifested by the wholesale people in the purchase of goods for next fall, that, in the opinion of at least one house, a rush of orders for immediate delivery of Canadian-made goods is almost sure in September, good harvest or bad. Enough has not been ordered to fill the wants of the country. In this connection we may remark that there is one irritating feature in the trade to day, and that is the sale of goods in this limited market by jobbers on commission terms. Selling goods at  $2\frac{1}{2}$ % profit and at the same time paying high salaries to travellers, travelling expenses, and house expenses, cannot well be expected to show a net gain to any wholesale merchant, no matter what volume their turn-over in this limited market may assume.

With imported goods, to which the dry goods trade of Canada look for a large part of their profit, the London and Glasgow warehouses are competing as keenly as ever, selling to Canadian retailers, that is. Their travellers did fairly well last year, we are told, but we fear this year—so great is the caution amongst the more prudent retail men—that the volume of this business will also be curtailed. It does seem a rank absurdity when one of these importing country merchants asks assistance on part of his notes given at home, in order that he may pay the duties on his direct imports from abroad.

There has been less trouble about dating forward of sorting parcels this year than last, partly because the parcels have been small, partly because the better class of merchants have found out that it is not to their interest to break datings, as the weaker are able to continue for a longer time the unequal struggle where the credit is longer. On this subject a valued corres-