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THE SITUATION.

Newfoundland, it is announced, will send delegates to Canada to ask the assistance of the Dominion in the fishery trouble with France. What can or ought Canada to do? She could join Newfoundland in her protest against the *modus vivendi*; our Legislature did once give Newfoundland the moral support which concurrence of opinion implies, and she could do so again. Or she could take the quarrel on herself, if the delegates be empowered to treat for the admission of the island into the Confederation. If we became a party to the dispute how would that help Newfoundland to a satisfactory conclusion? This is not at all plain. A Paris journal discusses the conditional withdrawal of France from Newfoundland, and says she ought to get territorial compensation elsewhere. Territorial rights, properly speaking, France has none in Newfoundland, and it is illogical to assume that she has something that can be exchanged for territory elsewhere. Whatever rights she had to Newfoundland or any part of it she absolutely renounced by the Treaty of Utrecht. Charles I., under the influence of the Queen, permitted the French to fish there in consideration of a money payment. This tax was remitted by Charles II. and by James. The French then tried to monopolize the island, but were antagonized by William III., and under Anne the French pretensions to territorial rights were swept away by the Treaty of Utrecht. Since then the French policy has been as before, one of encroachment. But assuredly they have no territorial rights in Newfoundland to exchange for territory elsewhere.

By its action in imposing duties on agricultural produce, the Canadian Government is beyond doubt inviting retaliation at Washington. It will scarcely do to plead that the Americans threw the first stone. True a committee of eight had reported a tariff bill with a menacing agricultural schedule, but that was the extent to which action on the tariff had proceeded in Congress. If we wanted to ensure the passage of the McKinley bill, the best thing we could do would be to bring in a tariff

bill of our own imposing heavy duties on American agriculture; and this is precisely what has been done. In spite of Mr. Colby's opposition to reciprocity in raw materials, it is difficult to believe that the Canadian Government, of which he is a member, takes that view of the matter. The truth seems to be that in both countries the farmer's vote is the prize contended for, the bid being agricultural protection. Where protection is the avowed policy of a country, the farmer has as much right to it as any other class. But he cannot be effectually protected in articles for which he must seek an outlet in markets where the whole world meets in competition. In the disposal of the produce the competition is equal, no producing nation being favored above another; but in the conditions and cost of production there may be great variations, and the producer will fare better or worse according to the position of the scale in which he finds himself. But to offer him protection when he has a surplus to sell abroad is a delusion, even when it is not a mockery deliberately conceived in bad faith.

A report of the committee on the Alien Labor bill recommends that action upon it be deferred till next session. The object of the delay is to make representations to Washington against what is called the "oppressive" enforcement of the American Alien Labor law. This attitude distinctly gives the Ottawa bill the character of a retaliatory measure. Speaking generally, it is not true that the American law is oppressively enforced; it is not generally enforced at all, and its partial enforcement is due to the action of labor unions. When the attention of the Government is called to a breach of the law, enforcement follows. The labor unions in both countries favor exclusion of foreigners as much as possible. Their policy in the United States they find inconvenient here, and they propose retaliation against their own action in the Republic. It is a case of curses coming home to roost. Would the retaliation which Mr. Taylor favors at Ottawa do Canadian workmen any good? It could only do so on the assumption that the international character of the unions has strict limits which in the present case must not be passed over. One effect of the restriction would be to prevent workmen on a strike in the United States looking with certainty to employment in Canada; and reciprocally the same effect is produced on the Canadian workmen anxious to secure certain employment in the United States. Retaliation on the part of Canada would ensure permanence to the American alien law. Workmen would suffer by the obstruction to the movement of labor imposed by both laws.

A means of getting round the Alien Labor law of the United States has been discovered, and the discovery appears to have had some effect in causing the collapse of a strike in the building trade at Boston. There is nothing in the law to prevent American builders advertising for workmen in England; they have advertised there for stonecutters, stating the wages that would be paid and where employ-

ment could be found. In this case there is no pre-contract, and of course there is no absolute certainty of employment. But with great certainty the barrier of the Alien Labor law would be removed, for if more men applied than could get work, the employers would be only the more certain of getting all the labor they required. Any alteration of the law that would meet this case would seriously impede the movement of labor, in the freedom of which the workman finds his best resource. Take the case of the present strike in Toronto. Some of the men are already leaving to seek employment in the States; their absence relieves the pressure of numbers in the local labor market, which for the moment is made artificially stagnant, and increases the chance of the strikers succeeding. Any law levelled against the free movement of labor would be the worst enemy the workman could encounter. And if the workman in one country is to leave this resource open to himself, he must be prepared to reciprocate, or retaliation may seriously restrict his freedom of movement.

The Hitt resolution, as presented to Congress a few days ago, declares that "closer commercial relations with other States of the American continent would be of material advantage," and favors reciprocity treaties modifying the duties upon the peculiar products of the different countries by tariff concessions on both sides, on the ground that they would be "conducive to increased commercial intercourse and mutual profit, widening the markets for the products of all and strengthening the friendly relations of this country with its neighbors." This resolution may be interpreted in different ways; but it is not objectionable unless an unwelcome construction be put upon it. Unfortunately, both Canada and the United States are moving in a direction exactly opposite to that indicated in the resolution. The McKinley bill has meanwhile been presented to the House of Representatives. The provisions which most affect Canada are retained. The duty on fish is one cent a pound, except on herrings, on which it is a half and a quarter cent a pound, according as they are fresh or dry. Hides and sugar are placed on the free list, but in them Canada is not interested. Thus, both Canada and the United States, under cover of protecting their domestic industries, are moving in the direction of doing one another all the injury possible, from an economic point of view. The folly, like the injury, is mutual, and neither country can reproach the other with the want of a broad and intelligent policy.

The strike in the building trades in Toronto is not universal. Laborers, bricklayers, stonemasons, and stonecutters are at work on permits to the number of about 1,100. This lessens the number of men who have to draw on the Union funds, but it tends to put the master-builders in a better position by enabling them to get unfinished work done. When these jobs are completed, and the question of beginning new work at advanced wages has to be de-