

of Queen Victoria, in 1855, when the procession through the streets of Paris, though it collected good crowds along the whole line, failed to elicit a spark of enthusiasm. There is more heart in the Franco-Russian fraternization than there was in the Franco-English alliance, when the soldiers of both nations were fighting side by side in a common cause.

RECIPROCITY AT WASHINGTON.

Most of those who take part in the discussion of the tariff question in Canada, continue to speak of reciprocity with the United States as if the Democratic victory in favor of Free Trade in the Republic had had no effect on this part of the problem. The facts do not warrant any such conclusion.

The policy of the present Administration and of the ruling majority in Congress does not favor formal reciprocity with any country. The commercial treaties negotiated by the Harrison Administration, while they facilitate trade with some countries, put obstacles in the way of commercial intercourse with others. The proclamations issued by the late President, under these treaties, discriminate against Venezuela, Colombia and Hayti, and it is a question whether the loss of the restriction is not greater than the gain of the treaty. The first thought of President Cleveland was to rescind the proclamation discriminating against these three countries; and though this course, upon further consideration, was not taken, the abstention was not due to any change of opinion as to the wisdom or desirability of such a procedure. There was, it is confidently stated, and so far as we have seen, not contradicted, a disposition in the Cabinet to abandon the whole system of reciprocity entered upon under the McKinley tariff. The reason which stayed the hand of the Administration was that Congress was about to meet in extra session, and that under the circumstances it would not be seemly to interfere with the question by an executive act; and, after Congress met, this scruple naturally acquired new force. The whole tariff question will be dealt with by Congress, and it is not impossible that the condition of the revenue may make it advisable to revive the sugar duties. This consideration is a reason for not withdrawing even the discriminatory duties on the produce of the non-treaty countries. The tariff must be dealt with as a whole, including the existing treaties or reciprocity. It will have to be decided by Congress whether these treaties are to stand or fall.

Whatever the decision may be, it is in the last degree improbable that any new reciprocity treaties will be entered into with any country. In this state of the case, Canada may discard the notion that reciprocity with the Republic, in any of the forms which people have been in the habit of contemplating, is a practical question. Of course there may be legislation, reciprocity in spirit, but informal, as the result of the independent individual action of each country.

It will be a distinct advantage to elimi-

nate from the tariff discussion the assumption that a reciprocity treaty with the United States is among the possibilities of choice. So long as two are necessary to make a bargain, we could not confidently assure ourselves that a treaty on ideal lines is within reach. All assurances that this or that will be done, when the assent of another country is necessary, involve self-delusion, if nothing worse. The only way we could be sure of success would be a willingness to make a surrender of everything we had it in our power to give, and to take whatever might be offered in return. Practical diplomacy cannot be advantageously carried on in public. The effect of doing so is to show your hand in advance, while that of the other party is carefully concealed. Such one-sided publicity places the party which resorts to it at a decided disadvantage. And when two parties in the same country try to outbid one another in the race for reciprocity, the folly of the contest appears in the most striking light to all except those by whom it is carried on. When either party tells what it will do, it forgets to add the inevitable condition, "if the other country will agree." So long as the dominant party in the United States was willing to encourage bids for reciprocity bids were sure to be made; but, now that reciprocity has ceased to find favor at Washington, there can be no pretext for continuing the futile exhibition. We trust we have seen the last of it under the present conditions.

THE FIRE INSURANCE OUTLOOK.

Those who have kept themselves informed of such matters as fire waste in the United States and Canada, know that of late years the burning of property has made an aggregate of loss which increased annually. This, too, in spite of all that has been learned about causes of fires, and in face of all the recommendations made by underwriters as to caution and method, and in the very face of what may be termed penalties for recklessness imposed under the guise of special rates.

Canadian underwriters have been forced, in consequence of the experience of their companies in certain places and with certain classes of risks, during the last year or two, to consider how they are to avoid a recurrence of such untoward loss. The natural resort is to charge higher rates for indemnity in certain circumstances, and this, we believe, is what they will do, sooner or later.

It is known, for example, that farm property has not proved a remunerative insurance field of late, the losses being excessive. In respect of this particular class of risk, we venture to suggest whether there may not have been over-insurance on undesirable lines—too much confidence as to the moral hazard. The long-established mutual companies are, as a rule, good exemplars in this business; their inspectors have local knowledge: they take pains to ascertain the character of applicants, and they are cautious as to the amount they write on certain properties. This will account largely for their smaller comparative losses.

Another matter deserving of notice in this connection is, the "blanket policy" mode of insuring farmers' effects which has long prevailed, covering grain, animals, vehicles, implements and a dozen other things in a barn, or a group of barns, under one general policy. A year or more ago a sensible move was made, in the adoption by the Canadian Fire Underwriters' Association, of a specific form of application and policy, which distinguishes different items, and names the amount assured on each. This, it is reasonable to suppose, will result in a more equitable adjustment of losses. Some new proposals are spoken of in insurance circles as to the rating of dwellings and barns together, which may arise out of the resolve in this direction of the Agricultural of Watertown, to which we lately made reference. Would it not be well for the underwriters, before raising their rates on farm property, to wait and see what result is reached under the new method of writing such risks. The new form of policy has not yet been long enough in use to enable them to determine whether its use serves to avoid an increase of rates.

The rapid adoption on this continent of electricity for purposes of lighting and traction, and of electric motors instead of steam or gas engines for a variety of purposes, has introduced a new element of fire risk. Underwriters may be said to be feeling their way towards the proper rates to be charged for premises wired for power or light. The multiplicity of wires with which the streets of our cities and towns are cumbered—telegraph lines, telephone lines, street car wires, electric light wires—adds to the risk of fire from the possible "crossing" of these various circuits. It is probable that a higher rate of insurance is charged on buildings electrically wired for power than is likely to exist when the real nature of the hazard is learned. Canadian underwriters are thus far necessarily guided a good deal by the experience of their United States brethren in this matter. Much of the interior wiring is at present hurriedly and imperfectly done. Our electrical people as well as their customers are gradually learning that cheap and careless wiring is risky, and more familiarity with the nature of the electric current is leading to improved appliances whereby it may be used with safety.

Cases have arisen in the Province of Quebec where imposts of the nature of a business tax are levied on insurance companies by municipalities. These are not likely to be submitted to without an effort at reimbursement. If rates of premium are not sufficient to pay such tax, and leave a living profit to the underwriter, he will increase the rates, naturally enough. And the result must thus be that the insured will indirectly pay the tax.

In regard to the detection and punishment of incendiaries, it has been, we consider, too much the custom to regard such detecting and punishing as the business of fire insurance companies only. This is unjust. The firebug is properly an object of detestation to all properly constituted minds. Town councils, capitalists, manufacturers, merchants, nay, every individual is bound to assist in the extermination of