

abandoned. We ought not, perhaps, to be surprised that the threatened interests were never more aggressive than this session; some of them went so far as to claim a monopoly of the Canadian market, which meant the destruction of the import trade, and that the country, in order to do a business one way, should pay freight both ways. They were encouraged to repeat, unwittingly no doubt, the claim of Lord Liverpool, that a vested interest had been created. Considerable latitude of opinion on the merits of a high tariff, facts cropped up to show, was found among the members of the Government, but the Premier, since he landed in England, came out as a pronounced free trader, in theory, and willing to do what he could to give practical effect to his views. As a matter of fact, no long stride towards free trade has been taken in the new tariff; but perhaps all has been done that was possible under the circumstances.

Preference in favor of British goods has gone into effect as a result of the new tariff legislation. The ease with which goods can be transhipped always makes it difficult to trace their origin, especially when traders have an object in concealing the fact. This has been exemplified in the case of the sugar bounties. In fact the whole history of furtive transshipments, made to cover an unavowed design, shows something akin to an utter impossibility of identifying the origin of goods so dealt with. We cannot hope that, in our attempts to enforce a legal preference, made for cause, we shall be more fortunate than the average experience of mankind when men have been engaged in a similar effort.

Some exceptional powers have been given to the Government in the hope that there will be no occasion for their use. This is true of the export duties which may be imposed. Such duties would not only reduce sales, but would lower prices and bring retaliation in their train. But Parliament is not to be condemned for insisting on the armed truce.

In the direction of freedom from restraint, a distinct step has been taken by putting Indian corn on the free list. The farmers did not quite know whether to welcome this change or not; but free corn ought to bring gain in the cheapening of beef and pork, even if the caution be necessary that our bacon trade with England may be prejudiced by the exclusive use of corn for hog feed instead of peas, as at present.

An addition of \$15,000,000 to the funded debt of Canada, which has been authorized, will require more revenue, for which it must be assumed provision has been made. With increasing debt, there is some danger that a revenue tariff may, at some points, progress in the wrong direction. So far as the increase of debt consists of appropriations for canal improvements and railway aids, its creation is intended for employment in works of a productive nature. The revenue, if any, which this capital invested in canals will produce, will go into the coffers of the Government; that produced by railway subsidies will go into the treasuries of private corporations. The policy which gives public money to private enterprise without any hope of direct return, at any time, burthens the public revenue for the benefit of private persons, and is essentially vicious. There is a growing opinion, which comes as a warning, that the days of this policy are numbered.

On the railway question Postmaster-General Mulock holds advanced opinions. Speaking for the Government, he said: "We have sought to nationalize the railways of the country by securing at least running powers over other

lines, and enabling the Government railway to control rates between the head of ocean navigation and the sea-board. I would further approve, if it were possible, of extending that policy, so that from one end of this great continent [to the other?] there shall be at least one great Dominion road operating as a regulating power to prevent railways in private hands being unjust toward the people of this country."

ENGLAND AND SILVER.

The National Review, which is edited by a relative of Lord Salisbury, makes a somewhat startling announcement of what the British Government is prepared to do with silver. France and the United States are said to have urged that some practical steps be taken in regard to the silver question, and the National Review declares that it is in a position to say what England's reply will be: "That the Government is willing to reopen the Indian mint, to make a farther substantial contribution towards the rehabilitation of silver by extending its use in England through increasing the legal tender of silver, making silver the basis of notes, empowering the Bank of England to use its silver reserve." Besides this, England is to give strong moral support to the object which the United States and France have in view, in connection with silver. That object, as we all know, is to restore silver to the place it previously occupied in the currency of nations.

The question of the ratio between gold and silver would not be easily settled. But there can be no question that the decline in the price of silver is largely due to its demonetization, which was led by Germany. France herself took much of the California gold to the debasement in the price of silver. But though the changing of the relation of the supply of silver to the demand had much to do with the decline of the price of silver, it was not the sole cause; a reduction in cost of mining silver, with the facility of obtaining large supplies from the mines, also had an influence in accelerating the fall. If silver were remonetized, only the latter course would have any effect on the price. The restoration of demand, temporarily disused, for silver, if their relative quantities were the same as before the disuse, would restore the market ratio between the value of the two metals. But as the relative quantities are not the same, silver having increased more rapidly than gold, the old ratio would not be restored. Sixteen to one would not therefore be a practicable ratio for governments to adopt; but, though no exact ratio can be made stable, it might be possible to get near enough for practical purposes.

As a matter of fact, the world has long made use of both gold and silver as coin. Of late they have violently parted company, for the reasons stated; but if the cause of separation were removed, the rehabilitation of silver might be found to be not impossible. England, by carrying out the intention now attributed to her, could do more than any other country to bring about the change; but as Germany's action led the decline of silver her concurrence would probably be necessary to secure its complete restoration.

From what the British Government is said to be prepared to do, some of the motives which have led her to change her policy may be found in the history of the question. In India, the closing of the mints to the coinage of silver was admittedly an experiment. The Bank of England, at least the governor and some of