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THE SITUATION.

What is called the Monroe doctrine-resolution, on the subject of the Panama Canal, has received the seal of approbation of the United States Senate. It declares "that the Government of the United States will look with serious concern and disapproval on any connection of any European Government with the construction or control of any ship canal across the Isthmus of Darien or across Central America, and must regard any such connection or control as injurious to the just rights and interests of the United States and as a menace to their welfare." In what way the rights of the United States would be encroached upon or threatened is not explained, nor is it shown wherein the alleged menace would be found. As for the United States "looking with serious concern and disapproval," the sister Republic of France might be able to bear the ordeal without losing countenance. France, it is conceivable, might, in a certain emergency, ask by what principle of international law or right of suzerainship the United States claims authority to exercise an effective protectorate on the Isthmus of Darien, or in Central America. What right of the United States, recognized by other Governments, would in the event supposed be assailed? Nations which claim rights must be in a position to define and, if necessary, to defend them.

Following upon the delivery of the opinion of the Supreme Court, the Railway Committee has been prompt in ordering that two of the crossings in question, that of the Pembina Mountain branch and the Manitoba and South-western Railway, to be put in by the Canadian Pacific at the expense of the Railway Commissioner of Manitoba, by whom, also, they are to be maintained. The Canadian Pacific, the senior road, is to have precedence of trains, but is not to be entitled to any rental. The work is to be executed under the supervision of the Minister of Railways. The crossing of the main track of the C. P. R. at Portage la Prairie by the Portage extension is reserved for decision. Mr. Clark, for the C. P. R., opposed crossing at

Morris by the Northern Pacific and Manitoba Railway, as the application involved the right of the Local Legislature to charter a railway to the American frontier, his contention being that the alleged railway company has no chartered existence. This point is engaging the attention of the committee. As to the crossings authorized, Mr. Clark covered his retreat by mutterings about possible further proceedings in the courts being taken by the C. P. R.

Some time ago, there was a legal decision in the Province of Quebec that a surcharge of taxes for not paying them when they were due came under the head of interest, and could not exceed the amount which the law fixes as legal interest. Now Chief Justice Taylor, in Manitoba, goes a step further, and decides that the Dominion authority can alone say what the rate of interest shall be. Both courts agree that the surcharge on taxes not paid when due is in the nature of interest. What shall be said about the municipalities which charge ten per cent? The question arose in Winnipeg out of the sale for taxes of lands owned by Governor Schultz. If all the tax sales of land since Confederation have been illegal, an extensive prospect is opened up. Under the first Ontario Premier previous tax sales, which had been made in this Province, were legalized; at least an Act for that purpose was passed. Is that Act, in the light of Chief Justice Taylor's decision, to be held to be *ultra vires*? Mitchell Macdonald, of Central Bank fame, used to boast that he was the secret promoter and concoctor of the Ontario Confirmation Act, a fact which is significant only as showing that it was passed in the interest of purchasers of those lands whose titles were invalid or doubtful, while it was professedly a rebuke to speculators. Some queer things have been done in Manitoba under the tax sales legislation, which now proves to be illegal. In Portage la Prairie all the municipal officers resigned, and persons in Ontario who owned lands there could get no information about the amount of taxes payable. Some of these properties have been lost to the owners through this juggle of resignation, or will be if special steps are not taken to recover it.

At a meeting of merchants at Georgetown, British Guiana, addressed by Senator Macdonald, of Toronto, on the trade relations between Canada and the West Indies, it was made plain that the obstacle to an extension of Canadian trade in that direction is our sugar duties. Once British Guiana made considerable exports of sugar to Canada, and the cessation of this trade, one speaker contended, was due to the "high duty which the Canadian Government imposed on behalf of Canadian industries and refineries, which entirely shut out our sugars." If this be a true representation of the facts, the first step to the regaining of the lost trade is a reduction of the Canadian sugar duties. The meeting resolved that British Guiana desires closer trade relations with Canada. Our Government says it reciprocates this desire and is willing to take steps to bring about its fulfilment. This cannot

be done without lowering the sugar duties, which have enriched a few refiners at the expense of the consumer. These refiners would strenuously resist a reduction of the duties if proposed by the Government. But the reduction would be a hopeful sign, as a confession that protection for the purpose of fostering monopoly had, in this instance at least, been carried too far.

The opening speech of the Quebec Legislature assigns "reasons of a special nature" for the delay that has taken place in converting the public debt. The power given by the Act which forms the authority for the contemplated action to resort to forcible conversion at par is the lion in the way. Unless this licentious clause be repealed, it is safe to say that there will be no conversion. From the same source we learn that the Ottawa Government has signified its pleasure that the Jesuit endowment bill will be suspended during the legal probationary period; a worse thing might befall it. A third subject mentioned is a dispute between the local and the Dominion authority over certain "beach lots;" but the information given is too vague to render intelligible the nature of this new case of disputed jurisdiction. The announcement is made that the Governments of Ontario and Quebec have not been able to agree upon the conditions of arbitration for the settlement of disputes between them; the latter insisting on confining the arbitration on a single subject, the school lands fund, and the former desiring to add others. The question of exemptions, in some form, is to come before the Legislature; not, we may be sure, with a view to their very great curtailment.

An experiment in municipal government is about to be made in England on a scale that has never been tried in any other country. The London County Council will in fact be a little Parliament, containing 118 members and administering the affairs of five millions of people. Both political parties are trying, more or less openly, to secure the control; there are a few no-party candidates, but only in cases where to show the party flag would ensure defeat. The old objectionable vestry element is doing its best to secure the prize, and it is an interesting question whether the old abuses are to reappear in a new and unexpected form. It is an ominous sign that among the candidates are but few men of mark. The new machinery would seem to be too big for ward politicians to handle; but there is no saying what may be done by the old vestry element, acting in conjunction with party wire-pullers. The revenue to be controlled will be far larger than that on which Tweedism enriched itself in New York, though it is not probable that borrowing will be indulged in to the same extent. The new Council is vested with extensive powers, and will, to a certain, though only to a very moderate, extent, relieve the pressure to which Parliament is subjected.

The British Trade returns show that the exports to Canada fell off during the past