

banking transaction. Further, they came to the conclusion that the Parliament of Canada had power to legislate in relation to banking transactions, and that this was sufficient to sustain the provisions of the Bank Act which the appellant had impugned. The judgment of the Ontario Court of Appeal would be affirmed, the bank thus gaining, and the appellant would have to pay the costs.

THE WILSON TARIFF BILL.

As was to be expected, the protected interests of the United States are making a strong fight against the Wilson tariff bill, not only at Washington but all through the country. A tariff change in the form of a reduction of duties naturally creates a period of suspense. Nobody will buy to-day goods which may be cheaper to-morrow, if he can help it. Merchants want to get rid of their stocks of high-priced goods, and do not wish to buy any more than is absolutely necessary, until the change comes which is to bring them supplies at reduced cost. The consumer acts on the same motive, and as a natural consequence trade is dull, and manufacturers finding they have to meet only a decreased demand, slacken their energies. This means that some hands must go temporarily out of employment. So far, the causes of stagnation are intelligible. But this is not the whole story. The manufacturers, in using all the means at their command to oppose the tariff bill, make a great effort to array their workmen in opposition, by representing that it must affect them injuriously in two ways: in reduction of wages and in a reduction of the number employed. The number of unemployed in the adjoining country at present, according to *Bradstreet*, is over 800,000, with over 1,500,000 persons dependent on them. To make the story complete, it would be necessary to know the average number of unemployed in the country, at all times. It is always considerable; and the difference between that number and the present is all that is properly due to the present state of suspense. But a further deduction must be made to cover the artifice resorted to by tariff beneficiaries for the purpose of making it appear that the mere menace of the Wilson tariff is doing infinite mischief.

From the minority report of the Committee of Ways and Means, a fair idea of the spirit of the opposition to the bill may be got. It mentions as most surprising that the new measure, which professes to look to revenue only, will sacrifice \$74,000,000 a year. Examples of sacrifice of revenue pointed to include iron ore and bituminous coal, on which the duty is 75 cents a ton and which it is proposed to make free. These reductions are both in the interest of and would greatly aid the iron manufacture, by making free the two essential things which are required in the making of iron. As for sacrificing revenue, this is inevitable, if high protective duties are to be reduced, duties which were not levied for revenue primarily, but for a subsidiary purpose. These duties were misplaced, and there will be no difficulty in substituting others not open to the objec-

tion which lies against them of favoring monopoly and unduly raising prices to the disadvantage of the public in general.

There is a strong pressure in the form of deputations representing persons whose interests would be affected by reduction of the tariff. The textile manufacturers are among those who make the loudest complaints. The tariff bill leaves some of these manufacturers a protecting duty of over 40 per cent., a figure which the consumers of the goods find high enough. An industry which cannot get on with such encouragement must be in an unpromising way. All protection professes to look forward to a time when the protected industries will be able to stand alone. If there be textile fabrics in the United States, which, after more than half a century of nursing, are so far from being able to stand alone that a 40 per cent. duty will not suffice to prevent their decline or extinction, the natural conclusion would be that all the sacrifices which the consumer has made for them have been in vain. This is poor encouragement to continue in the old rut. The great lever which those who benefit by the high duties are trying to use is the reduction of wages which they allege must follow the proposed reduction of duties. That some reduction of wages may be necessary cannot be denied; but it does not follow that the workmen will be worse off than before. The purchasing power of his wages will be increased. And, if some workmen have been getting extra wages at the expense of other workmen, as well as every other class, they cannot complain of a change which brings rectification, and with it the justice which has so long been withheld.

Changes in the Wilson bill may be pressed from one side as well as the other. In the opinion of many Democrats the bill does not go far enough; and if a party caucus of Democrats were held over it, proposals to make further reductions would certainly not be wanting. The pressure on Democrats who represent non-manufacturing States is in this direction. The opponents of the tariff bill are organized; they command large amounts of capital, and the last elections seem to show that they know how to make use both of influence and money to gain their end. If the reductions proposed in the bill are not likely to be increased, neither are they likely, as a whole, to be materially lessened. Any changes made, apart from those of the Committee of Ways and Means, would probably fall to be made in the Senate. In that Chamber the Committee on Finance, which will have charge of the bill, consists of six Democrats and five Republicans; and one of the Democrats, Senator McPherson, report says, would be likely to oppose any considerable reductions over those in the bill. If this disposition on his part really exists and is known to exist, the effect would be to prevent proposals of increased reductions which he could negative by the exercise of the balance of power which he holds.

In the event of the Wilson tariff bill passing substantially as it is, what concessions will Canada make in return? To tell the truth, it looks as if the present Government of Canada will do as little as

it can in the way of tariff reduction. The enquiries into the necessity of tariff reform have been carried on with an obvious and ill-concealed bias, and Ministers openly declare their intention to adhere to the policy of protection. The promise to reciprocate tariff changes with the United States may not carry us very far. The question should be not whether the new American tariff will, on the whole, be as high as ours, but whether, in several and what particulars, ours is not too high. There can be very little doubt about what public opinion, which the Government is so anxious to interrogate, says on the subject; but whether its behests will be heeded is at present an unsolved problem.

TAXES IN QUEBEC.

The Province of Quebec is in a fair way of getting a further taste of direct taxes. Resolutions for this purpose have been laid before the Legislature. Manufacturers, shop-keepers, traders, brokers, livery stable keepers, agents of all kinds, theatre managers and proprietors, steamboat and vessel owners, are to be required to take out licenses to carry on their respective businesses. In Montreal and Quebec the license fee is to be the equivalent of six per cent. on the rent of the places occupied. Outside of those cities, the scale for manufacturers, wholesale houses and retailers varies from \$50 a year to \$10. An individual or a firm may carry on more than one kind of business on the same premises for a single license; but where the same parties carry on different kinds of business, in different places, a separate license for each must be obtained. Where there are partners, the license fee is to be due by the partnership. All licenses are payable in advance. Every advocate, notary, physician, dentist, land surveyor, civil engineer, veterinary surgeon, artist, painter, musician, sculptor, and architect, is to pay an annual tax, differing in amount with the population of the place where he lives: in Montreal and Quebec, six per cent. on the rental; in smaller places from \$8 to \$6 a year. Members of the Government and minor officials will be called on for their share. The farmer escapes, and so do cheese and butter factories. It is impossible to believe that a one-sided law like this will be viewed with the tolerant feeling that it attempts to do equal justice to all.

"FIRE BUGS."

We remember reading in an American journal some months ago the suggestion that when incendiarism is rife in a certain locality, the insurance companies should increase the rates of premium in that locality and pin to each of their fire policies a slip of red paper explaining why the rise in rates was made, and that whenever the insurers of that neighborhood took steps to find out the incendiaries and get them punished, the rates might be expected to come down.

The suggestion did not seem to make much impression at the time when it was made; it had, perhaps, a sort of "far away