did, and that it was seriously proposed to refer the matter to the Committee on Banking and Commerce.

THE FISHERIES QUESTION.

Extreme views of the rights of American fishermen were sure to be taken by such members of Congress as depend upon the votes of fishermen, or who desire to create bad blood between the United States and Great Britain. The right of American fishing vessels to trade in Canadian ports is set up in direct opposition to the convention of 1818, by which the respective rights of the two countries in the fisheries are defined. Mr. Dingley, in the House of Representatives, sets up a claim for these fishermen to do a general trade in our ports, such as they would have if they belonged to the commercial marine. Senator Frye, in so many words, claims "that American vessels have a perfect right to enter Canadian ports for any of the usual purposes of trade and commerce." All American vessels except fishing vessels have this right; but from both American and British Canadian fishing vessels, this right is reciprocally withheld. The State Department, however, does not concur in Mr. Frye's extreme pretention, but recognizes the limitations of the convention of 1818. Even the Senator from Maine cannot deny that that convention gives no right to the fishermen of either country to engage in general trade; but he pretends that we are not relegated to the agreement of 1818, but are under what he calls the treaty of 1849. We need scarcely say that no such treaty exists.

Mr. Frye threatens that whenever an American vessel shall be seized for infraction of the convention, as it has always been interpreted by both countries, he will "introduce a bill of less than ten lines, closing the ports of the United States against all British, colonial, fishing, freighting and passenger vessels, all along the line of the great Lakes and the Atlantic coast." We have no doubt the Senator from Maine will be as good as his word; but he can scarcely expect that Congress will seal the dishonor of the nation by repudiating treaty obligations, which all parties have acknowledged to be binding for a period of nearly seventy years. And his threatened bill, if it should pass, would injure his own country more than Great Britain or Canada. These fisheries have given rise to many questions, under the convention of 1818, the most notable of which has been that of the headlands, but the right of the fishing vessels of either country to engage in general trade has been reserved for Representative Dingley and Senator Frye to raise.

We are quite aware that, in practice, some relaxation of this restriction has occasionally been permitted. It has been said that Canadian fishermen are allowed certain indulgences in American ports; but if so, it is quite open to the American authorities to withdraw them, whenever they think proper, and when they do so, no one on this side will think of complaining. For the relaxation of the conditions of the convention, on our side, Canadians are quite as much to blame as Americans. The rule has been that Canadians have been well pleased to get the trade of the fishermen. They sold bait to them and they sold fish; and it is not at all clear that Canada has not something to gain by encouraging this illicit traffic. If the door to this trade were to be thrown open, our fishermen would find a free market for much of their fish in the United States. The United States Treasury would suffer from a loss of duties of which their own smuggling fishermen would deprive them. But if self-interest prompts Canadians to engage in this traffic, their treaty stipulations call them back to duty and compel them to forego the profit of an illicit transaction. Men who would do a smuggling trade on one side, would be sure to try to do it on the other; if they smuggled fish into the States, they would find something which could be profitably smuggled into Canada. They could run into any nook along our extensive coast and ply the smuggler's trade. The reasons which prohibited the fishing vessels of the two countries from engaging in general trade were not such as originate in a desire for commercial restriction; they were due solely to revenue considerations. If it can be shown that there has taken place any change of circumstances which makes the restriction no longer desirable, it is subject to modification; but this must be done by mutual agreement and not through the medium of repudiation.

Some of our own fishery representatives allow themselves almost as great latitude in dealing with some phases of the question. For instance, in the Canadian House of Commons, the other day, Mr. Mitchell could not move for papers without censuring the British government for paying damages to American fishermen who had suffered outrages at the hands of unauthorized parties, in Apsy Bay, N.S., and on the coast of Newfoundland. He pretended that the payment of such claims established in American fishermen the right of poaching. It established nothing of the kind; but if the American fishermen had no right to poach, unauthorized parties had no right to undertake to punish them in an irregular illegal and violent way.

This fishery question is a delicate and difficult one, just because it is possible so to deal with it as to create bad blood between two neighbouring and friendly countries. This suits the Fenian game, and the enemies of Great Britain will work this mine to the utmost extent. But the principals have no desire to do or to sanction any wrong. Canada has not always insisted on her extreme rights, as in the matter of the headland dispute for instance. If she should not insist on the line of exclusion being drawn from outside the headlands of the great Bays, notably Bay Chaleur and the Bay of Fundy, she will be making an abatement from her full rights, as interpreted by American jurists and admitted by most illustrious statesmen, Webster among others. But the line of exclusion will be strictly drawn at three miles from the coasts and poachers, when caught, will be dealt with as they have always been with the sanction of both countries.

It is not the fault of Canada that this unpleasant necessity has arisen: nor it the fault of the American government; the blame lies with men like Ben Butler, representative Dingley and Senator Frye. There is too much reason to suppose that the opportunity will arise for Senator Frye to introduce his threatened bill. He and orators of his school will doubtless be able to encourage a few ill-informed fishermen to violate the law; and we fear that when they incur its penalties, Senator Frye will not make the sacrifice necesary to indemnify them. We have faith in the integrity and honest intentions of the American executive; and though its inability to influence the legislative department of the government to adopt a reasonable measure of accommodation is to be deplored. Senator Frye's threatened legislation is not likely to recommend itself to the acceptance of Congress.

CANADIAN FIRE UNDERWRITERS' ASSOCIATION.

As stated in a former issue, the annual meeting of this Association opened on Tuesday, the 30th ult., at the Underwriters' Rooms in this city, and did not close until Friday afternoon. During that time much business was transacted which is of no particular interest to the general public, but other matters were dealt with in which the public has a deep interest. The chief object of the Association we understand to be to improve and equitably adjust the business of Underwriting in Canada, and not, as some suppose, to keep up a combination with a view of extorting from the assured exorbitant rates of insurance not justified by past experience.

It is well known that the fire insurance business drifted by degrees, a few years ago, into a thoroughly demoralized state; rate cutting was the order of the day, and this lamentable state of affairs culminated in the faiure of a number of insurance companies, both stock and mutual, and consequently entailed a great loss of capital by the public, while demonstrating the doctrine of the "survival of the fittest." Among the companies that went to the wall in consequence of this insane rate-cutting period, may be named the following: The Provincial, Stadacona, Dominion, Union, Canada Fire, National, Merchants and Manufacturers, and a host of mushroom mutuals. It will be readily admitted by reasonable persons that such a state of matters required a remedy; and that remedy has been found in the organization of insurance companies into an association,

This body has formulated a tariff of rates designed to be ample without being excessive, and thus equitable both to the companies and the assured. The very first act of the Association was a just and eminently prudent one. They based the rates of insurance on the nature and extent of the hazard, and graduated the scale of rates for different places, in accordance with the efficiency or otherwise of the fire appliances of those places. The only exception to this rule, was, that at first the rates on special risks were made the samo everywhere, irrespective of the means possessed for