

tical shape the circumstances may be found to demand. We know not what those circumstances are, or whether there is need or opportunity for any special manifestation of civic gratitude and sympathy. But generally it may be said that, as nothing so tends to undermine a man's courage in the hour when duty leads into danger as the thought of leaving loved ones insufficiently provided for, so nothing can so fully counteract that feeling as the assurance that those dependent upon him shall not be left to suffer in case their natural protector should fall in the discharge of duty. As for the rest, it is still a serious question whether, and to what extent, the lives of those brave men who have fallen, and the sufferings of others, are due to the neglect of the Council to supply the Chief with the appliances for which he had asked, or to the culpable economy which runs up frail buildings to unnecessary heights on insufficient foundations, anxious only to obtain the largest amount of accommodation at the smallest cost. The necessity of supplying our firemen with the best possible engines and other appliances for putting out fires, and for enforcing a rigid inspection of buildings in course of erection, are the two great lessons taught by these sad events at too great cost.

Canadian Questions in Congress.

It is very much to be regretted that so little liberality to what is British is shown by the average Congressman at Washington. Surely the time has come when an end might be put to exhibitions of hostility towards proposals favourable to Great Britain, when there is no other ground of hostility. When in 1871 the Geneva arbitration awarded a large sum to the United States on account of damages inflicted by Southern cruisers on merchant shipping, the British Parliament promptly voted the amount, though the ground of the award was questionable and the amount was felt to be excessive. As a matter of fact not enough claims for damages to exhaust the sum were allowed by the United States courts, and to this day there is a large capital amount, with accrued interest, unexpended. This procedure of the British Parliament is in sharp contrast with the reluctance of Congress to vote the amount agreed upon as fair compensation to Canadian sealers. The agreement was entered into by the British Minister and the Secretary of State on the assumption that a lump sum would do just as well, and would save expense and time that might be consumed in taking evidence. Half a million dollars cannot possibly embarrass the revenue of the United States, and to vote it at once would be a graceful ending of a long dispute.

The History of Canadian Banking.

Dr. Breckenridge's essay on the evolution of the Canadian banking system, part of which appears in the last number of the *Journal of the Canadian Bankers' Association*, is the first attempt to write a connected account of this very important part of our mechanism of exchange. The editor of the *Journal* aptly describes the author's work as painstaking, and this is its most valuable characteristic. He has added greatly to the utility of his treatise by giving, in footnotes, a vast number of references to his own sources of information, so that investigators of special periods will hereafter have their labour of research greatly lightened. The Canadian banking system, as we have it now, is unique, but the ideas embodied in it are not all original, and Dr. Breckenridge has rendered excellent service by showing out of what conditions it grew. The thesis should be in the hands of all who take any interest in economic questions.

The United States Currency

Bradstreet's journal makes a suggestion respecting the present currency system of the United States which seems to be eminently feasible. A considerable portion of the paper currency is made up of national legal-tender notes redeemable in gold, and though these are not, to any great extent, presented for redemption in the ordinary course of trade, they may be presented in considerable quantities whenever gold is needed for export. In this way the tendency of the gold reserve in the Treasury to run down below the legal minimum of \$100,000,000 is greatly aggravated, and dangerous disturbances are either created or intensified. When the gold reserve becomes less than the amount fixed by law, the Government must issue bonds—that is, borrow gold—to replenish the Treasury. As the law now stands only high-interest bonds may be issued for this purpose, and *Bradstreet's* suggestion is that Congress pass a law authorizing a low-interest issue of bonds sufficient to retire all the legal-tender notes, thus converting them into a simple addition to the national debt. To fill up the vacuum so created in the currency it is further suggested that the national banks be allowed to increase their issues, the new bonds becoming a basis for the new issue as the older bonds are the basis of the present banknote circulation. As Congress is not likely during the present session to act on Secretary Carlisle's message, and create a new bank-note issue, based on other securities than national bonds, the adoption of the plan outlined by *Bradstreet's* would afford time to give fuller consideration to more radical proposals.

The Gold Panic.

The message sent by President Cleveland to Congress on Monday, is, like previous messages penned by the same hand, a stalwart document. It gives only an outline of the present financial crisis, but it presents its features so clearly that Congress will assume a very serious responsibility if it fails to act on Mr. Cleveland's advice and yet declines to provide any other mode of relief from an intolerable position. The \$100,000,000 of gold required by law to be kept in the treasury for the redemption of such legal tender notes and silver certificates as may be presented for conversion into gold has dwindled away to one-half of that amount in spite of the fact that twice within the past year the Government has added \$50,000,000 to the national debt for the purpose of replenishing the gold reserve. Unfortunately, when legal tender notes come back for redemption the law compels the treasury to reissue them so as to keep up the amount in circulation, and there is no reason why this process of adding to the national debt by the issue of interest-bearing bonds should not go on indefinitely. To make matters worse the present law allows the Government to issue only five per cent. bonds, though any desired amount of gold could easily be purchased by an issue of three-per-cents. The President advises Congress to authorize by law (1) the issue of bonds bearing interest at three per cent. and for fifty years; (2) the cancellation of legal tender (greenback) notes, amounting to \$345,000,000, and of treasury notes amounting to \$150,000,000, whenever they are redeemed by the treasury department; (3) the acceptance of legal tender and treasury notes from the purchasers of these bonds, with a view of hastening their retirement from circulation; (4) the addition of the proposed bond issue to the bonds already used as security for the national bank note issue; and (5) the cancellation of all national bank notes under \$10, and of all silver certificates over that denomination. What the President proposes amounts to the withdrawal of all Government notes except silver certificates from circulation; the limitation of national bank notes to large, and of silver certificates to small denominations, and the enlargement of the national bank issue by