

ALL-IMPORTANT.

Of all the subjects which press upon public attention at the present moment the *Reciprocity* question takes pre-eminence. It is all-important in many respects. The repeal of the Treaty would affect every material interest of the Province, some seriously and disastrously. We fear that the public are far from appreciating the serious results that would follow its abrogation, nor does it seem that our public men at all realise the immense importance of the question. There is a general belief that the Treaty will be renewed, but the wish is parent to the thought. In our last two issues we endeavoured to show that there was a very strong opposition to the measure in the United States, and as time passes, we see that this opposition grows in strength and force. A few months ago we shared the opinion that the Treaty would be renewed without great difficulty, and with but slight modifications; but a close observation of the indications in the United States during that period leads us to an entirely different conclusion. If American politicians could be made to listen to reason, and would but admit the force of figures, they might be convinced that the advantages of the Treaty were as great to their own country as it is to ours, if not greater; but unfortunately prejudice perverts their vision, they have notions of a commercial policy, which are at variance with the admission of free products; and the opinion, however erroneous, is more or less prevalent among them, that the withdrawal of the Treaty from Canada would result in our seeking admission into the Union. These and other causes operate seriously against the prospect of a continuance of the Treaty, and we think it is time our people should make up their minds that its renewal is at least problematical.

We cannot conceive why it is, that so long a delay has taken place without some movement on our part towards a settlement of the matter. There are but three months more of navigation, at the end of which time the operations of the Treaty practically cease; for although it does not expire until March, the amount of produce which can be sent forward during the winter months will be insignificant. Three months only are left to us. Six months have passed since there was a dead certainty of the Treaty lapsing in March, and yet what has been done? Our ministers went to England, and were told that Sir Frederick Bruce had been instructed to seek its renewal. Months have passed, and this is about all that has transpired. Messrs. Galt and Howland took a trip to Washington for a couple of days, and returned as they went. While the opponents of the Treaty have been industriously discussing the measure, and public opinion in the United States has been manipulated and influenced to oppose it, nothing has been done by us except the voluntary efforts of the friends of the Treaty. Why has there been this delay? The question in importance to us exceeds all other questions, yet it is the question that has received least attention.

We venture to say that there was far more interest excited in Quebec last week on the question of who should or who should not be Premier, than has been excited in that city throughout the year on the subject of Reciprocity. What is our Government waiting for? What object has been gained by delay? Will there be less difficulty surrounding the subject a month or six weeks hence than now? Is it not a fact that three months ago the Treaty could have been easier obtained from the American Government than it can at present? We may be mistaken, and we hope we are; but it seems to us that there has not been that exertion used by our Government which the importance of the question demands—and if the Treaty is permitted to expire, even for a few months, our public men are in a measure responsible for it. We must admit, too, that among the great body of the people, the question until recently has not been justly appreciated. The farmers who, as a class, will, more than any other, be affected by its repeal, have been lulled into a fancied security, by the hope held out of its certain renewal. Will they wake up to the fact that after the middle of March next, no more Canadian Produce can enter the United States market unless it pays a duty of 20 per cent? Will they begin to realise that barley, which this year will bring 80¢ a bushel, may be sold next year at 60¢, and every thing else in proportion? Will the millers of Western Canada consider the fact that next Spring, unless a renewal of the Treaty takes place, the vast quantities of extra flour which they ship to Boston and other United States markets, will be practically shut out. Will the lumberers all over the Province realise that the slight profit which they even now reap will be com-

pletely swept away by the imposition of a hostile tariff? It may be all very well to imagine that our American friends cannot do without our barley, or our extra flour, or our lumber. It is useless to argue that 21 per cent duty is not almost prohibition to articles on which the profits are proverbially so small as upon these. Even if the duty is divided between the consumer and the producer, does any one pretend to say that our shippers can afford to lose 19 per cent and stand it? No, we have been deceived. We have been led first to imagine that the Treaty would surely be renewed; and secondly, even if it were annulled, we should be able easily to bear the loss. We begin to see that we are mistaken as to the first point. Not only do we notice a growing opposition to the Treaty, but we have to deplore a want of due appreciation of the subject, and a proper effort on the part of our public men to secure its renewal. On the second point, we are not of those who believe that the loss of the Treaty would ruin us, but we know that without it, for the first few seasons, very serious derangement of trade must occur, and until new products and new markets are found for our people, a very depressed condition of things must ensue.

In view of these facts, we cannot understand why further delay is necessary before negotiations for the Treaty commence; and we trust, now that Parliament has opened, the people's representatives will demand a cause for this indifference, and see that active measures are at once adopted.

A MARKED IMPROVEMENT.

It will be curious and instructive to note the marked improvement which a good harvest will make in the general trade of the country. We have been existing so long on hope that now when fruition dawns upon us we can hardly realize the effect. The abundant harvest with which the country has been blessed never came more gratefully than now. We question if ever before the country passed through such a crisis as during the last year. A combination of misfortunes, as we have frequently shewn, came upon us, and notwithstanding that there have been a great many failures and a very general depression, yet it indicates the solidity and skill of our merchants that the season of depression has been survived with so little of a really disastrous nature. We certainly can count upon all the ills which a period of such a character brings; but we must not neglect also to estimate the advantages of such a season. Among these we briefly enumerate the cessation of hazardous and undue speculation, the disposition to avoid investment of capital in questionable permanent improvements, the general contraction of credit business, and the adoption of a more definite and rigid system of collections. The necessity of smaller stocks in the hands of country merchants has been made apparent, and the fallacy of permitting large outstandings from year to year clearly demonstrated. Wholesale merchants will have learnt too, that small credits well diffused are much safer than large amounts in few hands. The "supply" system has received a serious check, and the country is happily quit of a not inconsiderable number of incapable and dishonest traders. Importers will also have realized the necessity of confining their purchases to the prospective wants of the country, and will perhaps hereafter exercise a little more care in ascertaining the probable demand before they glut the market with an extravagant supply.

With these experiences we are all the better prepared for the season of prosperity, on the threshold of which we are now standing. There is every prospect of an early reduction of the large internal indebtedness. Our merchants, who have been under constant pressure in carrying forward the overdue liabilities of their customers, will now have relief. Country merchants who have been forced to seek renewals, and make every shift and turn to keep their credit good, will now be able to square accounts and look their creditors in the face. There is a certain prospect of a profitable sale of all the goods likely to be imported; and the rapidly increasing number of Canadian manufactures will meet with a remunerative demand. The carrying trade, so long depressed, will revive. The Commission Merchants and Brokers who have had nothing more solid than the prospect before them will find ample employment, and the general condition of things must wondrously improve.

Deferred.

We are reluctantly compelled to defer until our next number, an interesting article—the third of the series—on the "Proposed Public Works."

GONE TO ENGLAND.

HON. JOSEPH HOWE, of Halifax, N.S.,—the able champion of the Province in the Detroit Convention,—has been summoned to England, on business connected with the Reciprocity question. He left Halifax for London, in the Cunard steamer last week. We are rejoiced to hear that action is being taken in reference to this all important matter, and we quite agree with the Halifax *Citizen*, as follows:—

"We must all feel not only that Mr. Howe has well earned this distinction, but that his often-proved patriotism, his enlarged views of statesmanship, his long experience, and his expansive and intimate knowledge of the resources and interests of British America, make him the fittest man on this continent to give the Home Government accurate information and sound advice on this most important international question."

We understand that during Mr. Howe's recent stay in Washington, he had several conferences on the subject of Reciprocity with Sir F. Bruce, the British Ambassador. Through this channel it is possible that the British Government are already partially in possession of his views on the subject, and to this fact may be owing this distinction now conferred upon him. His mission to England to confer with the authorities there, will be a fitting sequel to the great work he accomplished at Detroit.

THE UNITED STATES REVENUE COMMISSION AND THE RECIPROCITY TREATY.

WE have made further search into the nature and powers of the United States Revenue Commission, of which we spoke last week. It is organized under the 13th section of the 78th chapter of the Acts of the last Congress:—

"The Secretary of the Treasury is hereby authorized to appoint a commission, consisting of three persons, to enquire and report, at the earliest practicable moment, upon the subject of raising, by taxation, such revenue as may be necessary in order to supply the wants of the government, having regard to and including the sources from which such revenue should be drawn, and the best and most efficient mode of raising the same, and to report the form of a bill, and that such commission have power to enquire into the manner and efficiency of the present and past methods of collecting the internal revenue, and to take testimony in such manner and under such regulations as may be proscribed by the Secretary of the Treasury. And such commissioners shall receive for their services three hundred dollars a month and their necessary travelling expenses."

Now Mr. McCullough, the Secretary of the Treasury, appears to have been actuated by a desire to keep the control of this most important commission out of the hands of mere politicians, and has consequently appointed as commissioners three gentlemen better known in mercantile than in political circles. They are:—

D. A. WELLS, of New York (chairman).
L. S. HAYES, of Chicago
S. COLWELL, of Philadelphia.

We further learn from New York advices that the Canadian ministers who lately visited Washington to commence, jointly with Sir Frederick Bruce, negotiations for a new Treaty, were supplied by Mr. McCullough with introductions to these gentlemen, and had an interview with them at New York, whilst they were in session.

This certainly gives us more ground for expecting a renewed Treaty of Reciprocity than any other of the movements of the day. The Government at Washington is swayed by political rather than commercial considerations, and we feel convinced, for reasons given in our last week's issue, that if the matter were left in the hands of that government alone we should have no Treaty. It is, however, not unlikely that commercial men, who hold their sittings in the New York Custom House, where they are of necessity in constant contact with commercial men from all sections of the country, will take a common sense view of the case, and look both to the commercial advantages of reciprocal trade and the fiscal disadvantages to the United States which may follow its cessation.

We understand that Messrs. Galt and Howland have laid before these commissioners a full statement of their views on this important subject.

The Drug Trade.

Business is restricted to the smallest wants, with a prospective increase in trade as soon as fall business opens. Stocks are well assorted, and prices remain unchanged. See Price Current for quotations.