

the free lances and of free maritime adventure. The American "poachers," as they are called, could be brought to book in the courts of the United States, but the international question could not be tried in this way. And a Washington journal points out that the international dispute could not be settled by an appeal to those courts, and that it would be useless to try it. The same authority says that this unchecked competition between the sealers is producing great havoc among the females, and that only about one-fourth of the animals killed are recovered, as the seals sink as soon as they die. This would be a good reason for an international agreement in favor of a close season. Would the nations who did not agree to such an arrangement be bound by it?

DOMINION FINANCES.

From the Finance Department comes the announcement of a surplus of \$4,004,238 for the year ending June 30, 1889. The revenue was \$398,613,08, and the expenditure \$35,857,130. But it must not be concluded that this surplus is in hand. In addition to what is treated as ordinary expenditure, there is an extraordinary expenditure on what are assumed to be permanent works. It is proper to make the distinction between expenditure from revenue and expenditure on capital account. But does this surplus revenue properly come under the head of capital? If it were a saving in hand it would be. Considered as a saving, the distinction may be allowed: considered as excessive revenue, the merit of the distinction is difficult to comprehend.

Ordinarily, what do we infer from the existence of a surplus? Clearly that the taxes ought to be reduced. And why is not the usual suggestion of financial economy followed? The protectionists insist on the maintenance of a high tariff and its increase from time to time. This demand has no reference to revenue necessities. The Government falls in with this policy, which produces more revenue than is required for the ordinary wants of the public service, supplied on the most liberal scale. Some of the provinces are clamorous for grants to various local works, in addition to the regular subsidy, and out of the excess of revenue their demands can be met. Electors are expected to argue that that is a good government which is profuse in its local expenditure, and that political gratitude is due. In this way the two halves of the system fit into one another: the surplus revenue supplies the means of furnishing what are in reality supplementary subsidies.

The policy that keeps up a tariff for these two purposes is vicious. It takes from the people more money than is required for the legitimate purposes of the Government, and it produces a surplus which an unscrupulous Government might use as a bribery fund. The net result is, or may be, two serious evils. The tariff ought to be constructed so as to respond to revenue necessities only: this was the promise of the new tariff policy itself when it was christened "National," under

a reasonable demand for a new distribution of taxes. What we have a right to complain of is that the founders of that policy did not keep to the faith they originally proclaimed. It is true that, afterwards, a warrant was apparently got from the electorate to abandon this tenable ground, and increase the tariff for a purpose unconnected with revenue necessities. And when the license was obtained, it was used unsparingly, again and again. One thing is certain: many persons engaged in industries have got whatever they have asked for in the way of increasing the difficulty of importing foreign goods of the kind they were producing. The foreign goods being weighted with additional duty, the price of the domestic can be raised almost to an equality with those of which the cost is thus raised to the consumer. Domestic competition was to supply the cheapness which had previously resulted from foreign. Has it done this? Have there not, on the contrary, been combinations formed to force up the price of more than one domestic manufacture?

It has been said with truth that a surplus is a great temptation. Money for which there is no pressing or necessary purpose is apt to go in a scramble and to be subjected to considerable waste. We have only to look at the thousand local objects to which Dominion funds go, to be convinced that this evil is in baleful operation. How different it would be if Parliament insisted on keeping a tight hold of the purse-strings. As it is, revenue is literally thrust on the Government, revenue for which the ordinary demands of the public service do not call. The pressure for increase of duties, from time to time, is not properly a public pressure; it is the work of a comparatively few individuals, and is entirely artificial. A false system having got into full swing, goes on by the force of its own momentum. The political influence of the beneficiaries is avowedly mercenary, and at the service of whatever politicians are ready to do their bidding. To their influence a political party has been seen to succumb, after having braved it for years. We have no guarantee that the ultimate addition to the tariff has been made; and it looks as if no remedy would come till the evil becomes intolerable.

THE TARIFF BILL PASSED IN THE SENATE.

Now that the McKinley Tariff Bill is certain to become law, having already passed the Senate, other nations can only watch with interest the working out of this extraordinary measure. The extent of the country and the variety of its productions may mitigate the effects of the measure in some directions, but the burthen of a war tariff, weighted with new additions in time of peace, will not be unfelt. Protest and objection are sure to follow, all the more so because the new tariff is the work of a party, and what one party has done another will take a special interest in undoing. Cleveland has put himself on record as a tariff reformer, and if his day be past, his policy will survive

and derive new force from the exactions of the McKinley Bill.

The Bill holds out an invitation to reciprocity with Latin America and gives Canada the go by. Senator Sherman, in a communication to Mr. Wiman, expresses the opinion that, if there had been time to discuss his reciprocity amendment, directed to Canada, it would have passed. Views strongly adverse to this are taken by others; and as Mr. Sherman will press his amendment, on the reassembling of Congress, we shall then see whether he is justified in the belief he now expresses that it will at that time obtain the assent of both Houses.

If it be true that Blaine is opposed to reciprocity with Canada, the chance of success would be much lessened. His influence with the Senate is proved by his having forced on that body the reciprocity resolution with Latin America. Mr. McCullom made a general indictment against the policy of Canada towards the United States, much of which is untrue or overstrained, but he is certainly in the right when he complains of the refusal of Canada to permit fish caught by Americans to be conveyed across its territory.

The draft of the projected union, under the title of the Republic of Central America, Article XX., contains a proposal of reciprocity between the States which it was intended to comprise, in natural products and manufactures. This reciprocity was intended to go into effect on the 15th of this month, but the recent war between Guatamala and San Salvador will delay its realization. San Salvador, Nicaragua, Guatamala, Costa Rica and Honduras, acting together under a commercial and political union, would be in a far better position to enter into reciprocal arrangements with another country than when divided into so many separate sovereignties. It is true that, at Washington, in the recent negotiations, these States acted separately, but it is equally true that no reciprocal arrangement was provisionally agreed upon with the United States. The reciprocity now proposed at Washington is offered not to Central and South America alone, but to any country which produces for exportation sugar, coffee, tea and hides, or any of them. To secure the right to send the enumerated articles free into the United States, these countries are not, by the terms of the Aldrich amendment, required to admit free "the agricultural or other products of the United States," but only they are not to impose on them such duties as the President of the United States may deem to be unreasonable. The only measure of the duties they may impose, without forfeiting the right of free entry into the United States of the enumerated products of their own soil, is that they are not to be such as that functionary "may deem to be reciprocally unreasonable." In other words, the whole legislative authority to make or refuse to make a reciprocal trade arrangement with all or any of the countries producing the enumerated articles, is vested in the President. A written constitution which can lend itself to a proceeding of this kind cannot be accused of narrowness or want of elasticity.