

posal the *Independent* objects that the term "compulsory arbitration" is self-contradictory, since arbitration that was compulsory would not be arbitration at all. The point is, in a sense, well taken, but it is merely a verbal criticism and proves nothing in respect to the thing itself, except that it may perhaps have been introduced by the wrong name. Why not call it at once a court for the settlement of labour disputes? The virtue of the proposal is in the means it would afford for the speedy settlement, on a basis of equity, of disputes which might otherwise be indefinitely prolonged to the great injury of the public. The *Independent* thinks that such a procedure would be an invasion of the rights of both employer and employee. But surely the public, *e.g.*, the travelling community and those whose commercial interests are damaged or jeopardized in the case of railway strikes, have rights which are also invaded, and which have valid claims on the State for protection. It may be said that this protection is afforded when, as in the recent Buffalo affair, the State forces are used to preserve the peace and protect the property of corporations from violence. But from the point of view of the strikers the act of the State in this respect is akin that of the onlookers who enforce the rules of the ring in a contest between antagonists who are unequally matched. It has nothing to do with the equity of the case, but virtually enables the tyrant who has strength on his side to enforce the tyranny against which the weaker is revolting. There are clearly weak points on the analogy, but it has also an element of vital truth.

DESPERATE efforts are being made by interested parties in the United States to defeat Senator Washburn's Anti-Option Bill. Failing to find a sufficiently weak place for a direct assault, the enemies of the measure are, either ignorantly or purposely, misrepresenting its character and effect. In a recent reply to Hon. Seth W. Cobb, one of the most vigorous of these opponents, Senator Washburn complains bitterly of these misrepresentations, as will be seen by the following vigorous extract:—

You do not state to the readers of the Republic that there is not a provision or a word in the so-called Washburn-Hatch Bill that by any possible implication or construction can interfere with legitimate or honest trade in the articles embraced in section three of that Bill. You do not state that there is nothing to prevent anyone owning property from selling the same for future delivery, and the one so purchasing to sell the property indefinitely until the time of such delivery shall arrive. Neither do you state that this Bill is aimed only at transactions where there is no purpose of selling or buying actual property, and where no actual delivery of property is contemplated by either seller or buyer, but which, in plain English, are simply gambling transactions. On the contrary, you seek to carry the impression that this measure is a blow at legitimate trading and commerce, and that this legislation is in the interest of some great milling syndicate, and in attempting to do so you make statements very wide of the truth.

This extract indicates pretty clearly the real character and purpose of the Bill. It can hardly be denied that these are legitimate and in the interests of business morality. Further on the Senator suggests a comparison between the operations which are to be forbidden by his Bill and those of the notorious Louisiana lottery. The comparison seems perfectly just, for it is demonstrable that the practices which this Bill is designed to forbid are gambling transactions pure and simple. With reference to the extent of the loss and damage inflicted, he says:—

In my judgment the great wheat-growing States of North and South Dakota and Minnesota lost on the crop of 1891 not less than \$20,000,000 on account of the manipulations and artificial making of prices on the Chicago Board of Trade during that period. No time during the last eight or ten months have prices been made near the point of consumption, neither at Mark Lane, London, Liverpool, Paris, Antwerp nor Amsterdam, but have been arbitrarily and artificially made, and to great extent by one man on the Chicago Board of Trade.

Most of the journals of the better class are in favour of the Bill. If passed and enforced, it will put an end to a most corrupt and corrupting practice, and one which is responsible for the ruin of thousands of clever and promising young men, as well as for the loss of millions of money by farmers.

WERE it not that, unhappily, the country has Sir John Abbott's own statement in regard to the serious state of his health, we might safely set down the current rumours to the credit of the idle season and the exigencies of the political correspondents. As it is, we are forced to believe that he has virtually resigned the pre-

miership, and would gladly have done so formally but for the urgent requests of his colleagues. Acting, no doubt, on Lincoln's shrewd principle that it is never safe to "swap horses while crossing a stream," the Ministers have, it is believed, persuaded him to withhold his resignation for a time, and to try the effect of a trip to England. All will join in the wish and hope that his health may be benefited by the change, but it is almost too much to expect that, at his time of life, and in view of the peculiar symptoms which he himself describes so frankly, he will ever again feel equal to the heavy responsibility of the premiership. Under the circumstances, with the Manitoba school question lowering on the political horizon, it is easy to understand why the Government and Party should shrink from a change at the present moment. In view of his peculiar relations to this question, the accession of Sir John Thompson, Sir John Abbott's only possible successor, would place both the former and the Government in a very awkward, not to say critical, position. At the same time it is a fit question for discussion whether it is fair, either to himself or to the country to constrain the present premier to retain a position whose duties he is no longer able to discharge, thus holding him responsible for a course of action which he can have no hand in shaping and which he might not, under other circumstances, approve.

ERASTUS WIMAN ON INTEREST AND LOYALTY IN CANADA.

I HAVE read with much interest and attention in THE WEEK of 9th inst. the article on the above subject, contributed by Mr. Erastus Wiman to the *Contemporary Review*. The greatest difficulty with which Canada has to contend in its negotiations with the United States for the adoption of some joint legislation or treaty tending to a liberal and equitable commercial policy between the two countries, is the almost universal indifference prevailing in the United States on this question. Free and frequent discussion ought to lead to a better understanding; hence, it is very gratifying to find a gentleman of Mr. Wiman's position and influence taking an active and prominent part in this discussion. However, we may differ with him as to the merits of the policy which he advocates, or however strongly we may dispute its fairness or adaptability to the present position of the Dominion, it must in all honesty be admitted that the tone of all his writings and speeches and the time which he devotes to the consideration of Canadian questions afford unquestionable evidence of sincere affection for the land of his birth, and a warm interest in its prosperity.

Many of the premises upon which Mr. Wiman bases his arguments and conclusions are manifestly incorrect; and, considering his extensive business experience and acknowledged financial ability, it is to be inferred that not having had the leisure to make a thorough personal investigation of the commercial statistics of the two countries, he has relied upon information incorrectly compiled by others from the defective reports of the United States Bureau of Statistics. A glaring evidence of this is found in the fact that all Mr. Wiman's arguments are based on the unwarranted assumption that the large, and, as he frequently terms it, the "natural" market of 65,000,000 people is and must be of much greater value to the country of 5,000,000 people than the market of the latter is to the former. This assumption is all the more dangerous because it looks reasonable. It is, however, in direct variance with hard facts. For a long number of years Canada has been purchasing from the United States much more largely than it has been selling; during the two years, 1889-90 and 1890-91, its excess of purchases over sales amounted to over \$40,000,000, the purchases being about fifty per cent. more than the sales.

Mr. Wiman's position and arguments, with respect to the question of preferential trade between Great Britain and her colonies, are singularly inconsistent with his persistent advocacy of Commercial Union. In the former case, he asserts that further agitation in this direction is useless, because at the Commercial Convention lately held in London, the motion in favour of a preferential policy was voted down by a majority of two to one. He says that the result of the conference was "to reveal the widest divergence of opinion on questions of trade policy between the two greatest colonies, Australia and Canada, while among the British delegates there was a division of opinion almost as marked." Mr. Wiman appears to accept the result of the vote as conclusive. Many of the delegates who are favourable to proposed policy, consider the result as very favourable under the circumstances, and feel sanguine as to future success. If this adverse vote of two to one shall be considered so decisive as to render useless any further agitation of preferential policy, why should Mr. Wiman persist in the agitation in favour of Commercial Union in the face of a majority of two to one in the House of Commons and the almost unanimous opposition of the Senate at Ottawa? It is to be noted that Mr. Wiman bears willing testimony to the strong mutual attachment between Great Britain and her colonies, which he says is an evidence of the highest character to the wisdom and

success with which the Government of the British Empire is administered.

Mr. Wiman asserts that Canada is called upon to make "tremendous sacrifices" in order to maintain the line of demarcation which completely cuts her off from the great growth in the other half of the continent. He says, that it is "isolated by its British connection from the southern half of the continent, wherein a material wealth has been created, at which all the world wonders"; that she is compelled to confine her trade to the products of narrow latitudes everywhere the same, or with Great Britain, 3,000 miles away; while, "within actual sight a commerce exists, the greatest on earth, in which she has neither part nor lot." "The material advantage to Canada from an obliteration of the barrier between herself and the nation of forty nations directly alongside, and the resulting development which within her borders would equal that which has already taken place within the southern half of the continent, is the *measure of the sacrifice that Canada makes to maintain her connection with Great Britain.*" He says that the "natural market" for the farmers, fishermen, lumbermen, miners and shippers of Canada is in the United States. The remedy suggested by Mr. Wiman is, "when Canada is ready to accept an offer of a market with 65,000,000 in exchange for a market of 5,000,000, a business arrangement can be made between the countries that will completely prevent a desire for a change in the political condition." "When all the material advantages possible to political union are secured by the simpler and earlier *Commercial Union*, what is immediately possible, Canada will be secure for all time to Great Britain." The italics are the writer's.

I think that the above extracts from Mr. Wiman's article fairly represent the sacrifices which he alleges Canada is compelled to make under its present position, and the advantages which he thinks would arise from Commercial Union. Now, Mr. Wiman knows perfectly well that Canada is under no compulsion as to its fiscal policy, which is discussed and settled in accordance with the views of the majority of its own Parliament as to Canada's own interests. That these interests would be promoted by a more liberal interchange of products with the United States is admitted by all parties; the sentiment of the Government and people is strongly in favour of an equitable adjustment of the customs tariffs between the two countries, and of the total repeal of many of the existing duties; the Dominion Government has made repeated overtures to the Administration at Washington for a liberal and fair adjustment of the commercial policy between the two countries. All of these overtures have been rejected, or met by a proposal so utterly unjust and unfair towards Canada, that it would involve infinitely more sacrifice than benefit to the Dominion. This proposition is the policy of "Commercial Union" which Mr. Wiman considers calculated to confer such material advantages upon Canada.

The returns of the Bureau of Statistics at Washington conclusively establish the following facts: That during the last ten years Canada has in every year purchased from the United States a very much larger amount of merchandise than the United States has purchased from Canada, and that this excess of purchases during the ten years has amounted to fully \$125,000,000. That in raw products of the farm, the forest, the mines and the fisheries, the interchange has been slightly in favour of Canada; but the interchange in manufactured goods has been immensely in favour of the United States. During the two years, 1889-90 and 1890-91, the balance in favour of the United States in this class of goods was over \$42,000,000. The exports of manufactured goods to Canada form one-seventh part of their entire exports of such merchandise to all foreign countries. That the proportion of all kinds of merchandise admitted into Canada, free of duty, is much larger than the proportion admitted into the United States from Canada, on same terms. That even prior to the passage of the McKinley Bill, the average rates of customs' duties levied upon imports was very much lower than the average rates levied in the United States; and this disparity has been largely increased by that Bill. All these considerations appear to be disregarded by the administration at Washington. Is it possible that a gentleman, of the business ability and experience of Mr. Wiman, can have overlooked such facts, or does he wilfully ignore them? Canada would profit undoubtedly under free trade, by the increased sale in the United States of barley, eggs, horses, cattle, sheep, wool, beans and peas, hay, potatoes, etc. But would not the United States profit somewhat by increased sales of corn, canned meats, hog products, fruits, seeds, nursery stock, etc.? Under an amicable adjustment of the commercial policy, the United States would not only retain but might very largely increase its present trade with Canada in manufactured goods, which is much more valuable than the sale of a like quantity of raw products. There are a number of articles now imported by the one country from the other, because they cannot be obtained to the same advantage from any other source, such as cotton, tobacco, coal, lumber, fish, etc. Except for revenue purposes, no duty should in any case be levied upon these, as, evidently, the consumer would pay the duty. If the facts as above stated, taken from the returns of the Bureau at Washington are correct, and of this I have no doubt, and if it is desirable that the trade between the two countries should be extended by a more liberal joint policy, the question arises, whether the position and propositions of the Dominion Government or those of the administration