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THE SITUATION.

The attitude assumed by President Harrison, in his message to Congress on the tariff question, is in direct opposition to the expressed opinion of the electorate. He is at liberty to reject foreign criticism of the McKinley Act, with or without repugnance, but the example of a free trade nation, like Great Britain, is a proof of sincerity which cannot be so easily set aside. The President's cue is to appear not to see in the late election a condemnation of the tariff, since a trial of the law was not waited for. But people do not need to wait to see the effect of a heavy addition to the taxes. And if the price of articles not directly affected by the tariff, rose immediately after, it does not follow that this was not the indirect effect of adding to the general cost of living. The President prefers to put the rise of prices, in these instances, on the Silver Bill. But he fails to show that inflation of the currency, in a form that points to ultimate disaster, is much if any better than onerous additions to an already extravagant tariff. The McKinley Act will not destroy foreign trade, but it will take money out of the pockets of consumers for the benefit of a favored few. The cry of wait and see what God, through the tariff, will send you, is merely an appeal for a stay of execution after judgment has been pronounced. There is, says Mr. Harrison, "no disposition among any of our people to promote prohibitory or retaliatory legislation." This is true of the majority, as the recent elections show; but what about the Senate and the Administration?

Mr. Harrison expresses the hope "that, before the opening of another sealing season, some arrangement may be effected which will assure to the United States a property right derived from Russia, which was not disregarded for more than eighty years preceding the outbreak of the existing trouble." In the first year of this century, the United States asserted, in conjunction with France, and in the form of an international convention, the right to catch seals in any part of the world. That treaty existed eight years, which brings us to 1809. We are now in 1891; and the present trouble is of several years duration. So

that within less than the eighty years here named, the United States asserted a right to catch seal everywhere, and had a treaty arrangement with France mutually to defend it. Behring Sea was not excepted; it was not made a special reserve; on the contrary, it was one of the places in which, in the general terms of the convention, the United States claimed the right to catch seals. That right, with proper limitations, existed for other nations as well as for France and the United States; it existed prior to the treaty and independent of it, and did not expire with that instrument. The mention of eighty years by President Harrison, if intended to fit the case of this convention, fails to do so. It is surely unwise, on his part, to recall the fact that the United States has blown hot and cold on this question, in the most extravagant way,

It is too soon yet to ascertain fully what effect the McKinley tariff is producing on our exports. The returns for October do not cover a full month of the new tariff, and the extraordinary despatch of produce in anticipation of its going into effect is a disturbing element. The exports for October were of the value of \$12,038,121 against \$14,034,274 for the same month last year. This difference of two millions is partly accounted for by advance shipments. The difference made by the McKinley tariff in October cannot be ascertained, and it would be useless to try. It is stated that the Americans are short of potatoes and turnips as well as of apples. The returns of exports and imports of future months will be watched with interest.

Under the Irish Land Bill now before the Imperial Parliament, Mr. Balfour estimates the credit of the nation may be used to the extent of £95,000,000. This is an enormous sum to advance to enable the smaller of the Irish tenants to purchase their holdings. It is very desirable to convert them into freeholders, if it can be done by reasonable means, for the feeling of ownership would be a great spur to industry. It is difficult to believe that the operation can be performed without a great loss to the nation, for it would be to hope too much that this large sum should all be repaid, and the question must one day arrive, what is to be done about the arrears? The purchase is an abnormal remedy for an exceptional state of things. The improvidence of the tenants in bringing children into the world for which they are unable to provide, is one of the main causes of the trouble; their poverty forces them to work under disadvantages, and their condition is not improved by the use to which they are put as counters in the political game. One thing is certain: the Bill will make the tenants who may become purchasers under it more or less dependent on the government for the favor of delays in making payments, but whether this will tend to make them docile or aggressive remains to be seen. The arrears cannot be held over for ever, and one political party will be asked to bid against another—to scale them, or wipe them out altogether—at the expense of the nation. We have unfortunately had a

similar experience in Canada, in the form of advances to municipal and other corporations, with a result that is pretty sure to be repeated in land purchase in Ireland.

Contrary to expectation, the Bank of England rate has not stood long at 6 per cent., having been already reduced to 5, a figure which will probably last for some time.

Internal navigation has been brought to a sudden stop. It did not need the severe frost which came to put an end to river navigation; that had been already declared over. A week ago over 100,000 bushels of wheat were being loaded at Port Arthur for Owen Sound, whence the cargo was to go by the C.P.R. It was then thought that this traffic might be continued for some time, but the severity of the present frost will put an end to this expectation.

It used to be assumed, and not long ago either, that the quantity of fish in the sea could not be lessened by any possible mode of fishing. But experience seems to show that this is no longer true, owing to new engines of destruction. The United States Atlantic fisheries are far less productive than they were once, and if we may believe what is now said, our own are not free from danger. The Quebec Board of Trade has been taking evidence on this subject. M. Fafford, who has travelled much in Labrador, states that Newfoundland fishermen, by using the purse net, are putting our fisheries in peril. Besides this, another process, intended to frighten the fish into the nets, is said to check reproduction. An appeal, it is said, will be made to the Federal Government to put an end to these destructive methods, and it is not likely that the application of the needed remedy will be delayed.

Having regard to future irrigation from Rocky Mountain sources, there is a hint in President Harrison's message that may be useful to Canada. It is necessary to prevent these sources of water supply coming under private control, since their operation must have a common object in view. In California, where there are long periods of drouth, the value of water for the purposes of irrigation has come to be thoroughly understood in practice, and it is lamented that mistakes were committed in failing to make the necessary reservation. The truth is the necessity was not so obvious till experience showed the mistake that had been made. In our case, we have no such excuse. We had the example of California before our eyes, and now we have added the general reference to the means of irrigation made by President Harrison. This is a point that deserves to be well guarded, and may be placed side by side with the desirability of guarding our coal mines, at this early stage of their development, from anything in the form of monopoly. We hope the attention of the Federal Government may be given to the necessity of legislation on the sources of water supply for purposes of irrigation.

The want of elasticity in American currency is characterized by the Secretary of