

country where some of the banks not only make on paper, but often divide as much as eighteen or twenty per cent. on the original capital.

Take an example of the opposite state of things from the financial history of Lower Canada. There, it was long nearly impossible to borrow on mortgage, at any rate of interest. And why? Because there was no public record of titles which lenders could consult and assure themselves that it would be safe to make a loan. The only way to get a sure title was to purchase at a Sheriff's sale, which cut off all incumbrances. The notaries, defending their privileges, were opposed to all change. There was a general indisposition to accept titles which had not undergone the ordeal of legal process, in the form of a decree of the courts. One half the Quebec Gazette was occupied with notices of Sheriff's sales; the sheriff's sale being the only means of getting rid of *hypothèques* which the owner might have concealed. Nearly the whole French population opposed the establishment of *bureaux de conversation d'hypothèque*. The concealment of a prior *hypothèque*, when a second one was made, was very common. Notwithstanding these difficulties, the proposal to change the law of real property created alarm among the simple *habitans*. "People in spite of all laws," said the Hon. Mr. Neilson, "will follow their old customs and usages; it requires ages for people to alter their customs; those coming from the States dispose of their property as they did in the States." One of the difficult French titles could be written on a small scrap of paper. The simplicity of the instrument did not avoid the enormous complications of the law. The effect of this difficulty of getting at the truth about a title was stated with great force by different witnesses before the Canada Committee of the House of Commons, in 1828. "It has this effect," said Mr. Samuel Gale, "that there is often no such thing as getting money upon mortgage; the improvement of the country is kept back, because if money cannot be borrowed on the credit of land, there must be a great deficiency of requisite capital to be employed in its improvement." The same difficulty had stood in the way of purchases, and Mr. Gale estimated that it had kept one hundred thousand settlers out of the country. The Hon. Mr. Ellice went much further. He showed that capital made in commerce, in Lower Canada, shunned investment in mortgages there for want of an open record of titles, and went to England for investment. This statement was corroborated by M. Cuvillier. The stream was being forced up hill by artificial contrivances. This withdrawal of capital depreciated property very much, especially in the cities of Quebec and Montreal. The Hon. John Neilson said it sometimes cost more to pass a title than the land was worth. At that time, perfection was supposed to be found in the open record of titles in the State of New York, where uncultivated land sold for twice as much as adjoining land, in Lower Canada. The terms on which mortgage loans could be made in that state were favorable to the borrower, and the contrast was constantly made between the two countries, in this respect, to the disadvantage of Lower Canada. In any case, there was a scarcity of available capital;

and what there was was repelled from the land, whereas outside capital might easily have been attracted by an open record of land titles.

A great change followed the registration of titles, in some parts of the Province of Quebec; the difficulty of borrowing on mortgage ceased.

The difficulty of applying the principle of the Torrens Act in old settlements, arises from the necessity of adding to the insurance premium the cost of quieting titles. Proprietors must determine for themselves whether the benefit likely to be attained would be worth the cost. The effect of the adoption of this plan would be to cause some reduction in the rate of interest on mortgage; how much it would be impossible to estimate accurately in advance. A reduction of one per cent. would, in the end, pay; and it is not probable that it would be less than that. The cost would be immediate, the benefit somewhat remote, being contingent on sale or mortgage being effected. Large properties could bear the cost much better than small ones; the percentage in the case of large properties would be small; in that of small properties it might be large enough to prove deterrent, if option were allowed, and it could not well be denied.

The machinery of the Torrens Act might be applied to the new North-West with every prospect of probable advantage, in the reduction of the rate of interest on mortgage and the facilitating of transfers. Its adoption in the old provinces must be determined on a consideration of a balance of probable benefits over cost.

#### THE TREATY-MAKING POWER.

At the Halifax banquet to Sir Chas. Tupper, Sir A. T. Galt touched on the concession to Canada of the right to take part in the making of treaties, in which her own interests are to be affected. What he added to the official announcement went to restrict the part Canada is to play. No treaty can be made on behalf of Canada which does not receive the sanction of the British Government; and if a treaty be agreed upon which contains something objectionable to that Government, it claims the right to exercise the veto power. These conditions are not likely to be dispensed with so long as Canada holds the position of a dependency.

But it does not follow that nothing has been gained. We now have, in general terms, and subject to these conditions, the right to make treaties with foreign powers. "As a matter of legality," as Sir A. T. Galt said, "a treaty had to be made between the sovereign executives of the two nations." But this, he thinks, "is a mere question of form," since the general right to decide upon the subject matter of the treaty rests with Canada. We certainly now possess rights in connection with the making of treaties that we did not possess before.

Two classes of objectors have arisen: one contending that the concession is clogged with unreasonable restrictions, the other demanding to know what we want with treaty-making powers anyway? The more than half loaf is something; and it is conceivable that it might be for the advantage of Canada

to make a treaty from which Great Britain could herself have nothing to gain.

On the threat of Sir Leonard Tilley to retaliate against some countries by discriminating duties we expressed our opinion at the time; and we are still of opinion that a policy of retaliation would ill become a country like Canada. We cannot afford to enter on a war of tariffs, in this dangerous and objectionable form. The fear which has been expressed that the treaty-making power will be used in connection with a policy of retaliation, we cannot say that we share, in any serious degree; it assumes that a want of sense, which is almost inconceivable, may control the councils of Ottawa. Retaliation would come, if at all, in the legislative sphere; but to resort to it as a solace against disappointment in the attempt to make a treaty would show a want of appreciation in ministers such as we are not prepared to expect. The treaty-making power is incomplete; but there is enough of it to be useful, in given contingencies, if directed with the wisdom and forecast of sound statesmanship.

#### DRY GOODS IMPORTS.

Recurring to the subject of dry goods, dwelt upon in our last issue, we are able this week to compare the imports thus far this year with those of the same period last year. Through the courtesy of the chief clerk at the Toronto Custom House we have been furnished with particulars of imports.

The imports of leading articles were in value as under for six months of this year as compared with the six months of last year at this port:

Description.	January 1883.	January 1882.
Cotton goods.....	\$ 331,655	\$ 326,060
Woollen " .....	208,012	150,514
Hats and bonnets.....	37,075	38,138
Silk goods.....	81,999	102,496
Fancy " .....	93,456	80,947
	<b>\$ 752,197</b>	<b>\$ 698,155</b>
	February 1883.	February 1882.
Cotton goods.....	\$ 384,762	\$ 526,135
Woollen " .....	284,301	404,619
Hats and bonnets.....	56,981	55,264
Silk goods.....	163,344	187,931
Fancy " .....	133,777	153,806
	<b>\$1,027,165</b>	<b>\$1,327,754</b>
	March 1883.	March 1882.
Cotton goods.....	\$ 284,205	\$ 439,633
Woollen " .....	242,447	285,893
Hats and bonnets.....	42,245	44,927
Silk goods.....	101,131	115,227
Fancy " .....	78,155	86,846
	<b>\$ 748,183</b>	<b>\$ 972,526</b>
	April 1883.	April 1882.
Cotton goods.....	\$ 161,613	\$ 192,115
Woollen " .....	145,859	114,902
Hats and bonnets.....	46,296	35,865
Silk goods.....	23,809	46,427
Fancy " .....	42,330	13,642
	<b>\$ 419,907</b>	<b>\$ 402,451</b>
	May 1883.	May 1882.
Cotton goods.....	\$ 91,665	\$ 108,074
Woollen " .....	64,951	72,732
Hats and bonnets.....	28,678	21,406
Silk goods.....	28,508	42,460
Fancy " .....	38,504	49,920
	<b>\$ 252,306</b>	<b>\$ 294,592</b>