

which subsidises Ministers, or one loan given for a commission to the wrong firm will cost them more in a single year than they will save in salaries in a generation. In the very transaction which is the basis of the Mercier incident, the province lost in all £35,000, a sum which at American rates of interest would have given a Premier an extra £2,000 a year for ever. We cannot doubt, if this is the Canadian way of doing business, that the taxpayers have lost in the last twenty years more money through speculation than would double the salaries of all their Ministers from to-day to the end of time, and in that reckoning we do not count the bad work, the injury to colonial reputation, or, greatest loss of all, the dislike generated in honest men to accepting office on conditions which expose them to perpetual suspicion."

LAKE NAVIGATION AND MARINE INSURANCE.

On looking over the records of navigation for the marine season just closed, upon our Great Lakes, excluding rivers, the most indifferent observer cannot but be struck by the very large percentage of accidents due to stranding as compared with other causes of disaster, there being no fewer than 84 cases of stranding out of a total of about 140 accidents from all causes. That there should be some special reason for this state of things at once suggests itself, and on enquiry from an experienced navigator who has paid a great deal of attention to the subject, it appears that the stranding is not so much due to imperfect charts—the present surveys of our lakes being fairly satisfactory—as to imperfect compasses, and deviations thereof, consequent on the increased use of iron in ship building, added to lack of scientific training on the part of mariners. The use of steam as a motive power has also had indirectly its effect in this way, for, as a recent writer in the *Shipping World* remarks, "compasses which did quite well in sailing vessels are practically useless on a steamer with a speed of from eight to eleven knots, large vibration and at times a considerable amount of rolling."

The inadequacy of the instruments supplied to mariners is shown by the fact that errors of nine points in either direction are not uncommon. And for this state of things the parsimony of ship owners, who are, strange to say, often indifferent to supplying instruments of absolute necessity to the safe navigation of their vessels, is often to blame. Another most important point, too, is that compasses upon a ship, particularly when of iron, require special adjustment, at frequent intervals, with reference to their surroundings; and without casting any reflection upon our seamen it is not too much to say that very many officers in command of vessels upon the lakes do not possess sufficient scientific knowledge to adequately make correction for local cause of deviation. These, particularly on iron ships, can only be properly allowed for by experts who have made a study of work of this kind. It would certainly appear in the public interest that some action should be taken by the Gov-

ernment for a periodic inspection of the compasses of vessels plying upon the lakes, particularly those which carry passengers; and an increase in the stringency of the examinations, before those officials empowered to grant masters' and other certificates, would be a step in the right direction, for at present there can be no question that certificates are granted to men without that care which should be exercised in issuing permits, by virtue of which immense responsibilities, both of life and property, are confided to their holders.

We venture the opinion, based upon many years' observation of mariners upon the fresh water lakes of North America, that not a few of the shipping accidents of recent years on our inland waters arise from the too great confidence, not to say recklessness of our navigators, and from the fact that too little allowance is made by captains of steam or sail craft for the changed conditions. The enormously increased pressure of floating traffic through such crowded straits as the River Detroit and River St. Clair; the greater size and greater speed of the newer vessels; the different materials, e.g., iron and steel; the much diminished margin of space between the keel of the boat and the bottom of the channel; the universal rush, at certain seasons of the year, to deliver freights of coal and merchandise westward bound, and grain and ore eastward bound—all these circumstances may well cause wonder that accidents are not more frequent even than they are. There are steamers on the lakes, between 1,000 and 2,500 tons burthen each, aggregating 440,000 tons. The lake sailor is brave, loyal, hardy, a "regular hustler," but it may be questioned if he be always equally prudent, intelligent, and scientifically qualified for the responsibilities of his arduous task. The subject above dealt with is one possessing much interest for marine underwriters.

MARKET VALUE AND CUSTOMS VALUE.

The rule for determining the value for duty of goods imported into Canada, prescribed by the 58th and 59th sections of Customs Act, R.S.C., c. 32, is not one that can be universally applied. When the goods imported have no market value, in the usual and ordinary commercial acceptance of the term in the country of their production or manufacture, or where they have no such value for home consumption, their value for duty may be determined by reference to the fair market value for home consumption of like goods sold under like conditions.

A case which has attracted deserved attention in this connection was tried before the Exchequer Court some weeks ago, Judge Burbridge of the Supreme Court presiding. The case was one in which Smith & Patterson, a jewellery manufacturing firm of Boston, brought an action against the Crown for the recovery of certain articles seized by a special agent of the Customs Department. The circumstances are thus described by a Montreal correspondent:

In January last Messrs. S. & P., who have an agency in Canada, purchased from the Keystone Watchcase Co., of Philadelphia, a job lot of about 2,000 watch cases, some of them hunting cases at \$2.52 each, and others open faced at \$2.67 each. It being the intention to bring these goods into Canada, samples were submitted to the appraiser here, who was informed that they were being purchased at the above mentioned price, that the manufacture of these goods had been stopped, and was asked if he would enter them at that price. Mr. Ambrosse, the appraiser, asked time to look into the matter, and while he was so doing a number of the cases arrived. Mr. Ambrosse's final decision was to allow the cases to enter at the price quoted, provided the whole lot came in at once. This was agreed to, and the goods were duly entered and the amount of duty paid. About a month after, a special Customs agent named Belton seized the whole stock of watch cases on the ground of undervaluation. Smith & Patterson refused to pay the extra amount claimed from them, and hence the present proceedings.

It was proved that the regular list price of these goods, i.e., the "combination market price," was \$4.50 for the open and \$5 for the hunting case, with 15 per cent. trade discount, which brought their regular value to \$3.87 and \$4.25 respectively. But it was also proved by the agent of the Keystone Watch Case Co. that the goods so sold were, before the date of this sale, superseded by a novel sort, which rendered the former unsaleable. And yet he was debarred, by agreement, from reducing the price of them in the States, so he sold them for the Canadian trade as job goods at a great reduction. Mr. Ambrosse, the Customs' appraiser, valued them as a job lot, and found out, besides, that the gold in them did not equal the value he placed on them. Further expert evidence showed that the goods had not been undervalued. It thus seems that this special agent committed nothing short of an outrage upon a respectable American firm, who were trying to do their business honestly, in seizing their goods.

The goods in question in this case of *Smith versus Reginam*, tried last year but only just decided, were part of a job lot of discontinued watch cases. At the time of their sale these were not upon the market of the United States, and could not be purchased for sale or use there except at published prices, which were higher than any one would pay for them.

The claimants bought the goods for export for their fair value, being about half such published prices. They let their agent in Canada know the prices paid, but withheld from him the fact that the purchase was made on the condition that the goods were to be exported. The agent, without intending to deceive the customs' appraiser, represented that the prices paid were those at which the goods could be had in the United States, when purchased for home consumption there. The representation was untrue. On the question of alleged undervaluation the court found for the claimants, but, because of such misrepresentation, without costs.

—"This mince pie is delicious," said Cadley to Mrs. Noorich. "Have you got the receipt for it?" "Sir?" said the lady, indignantly. "Receipt! No, sir, I have not, because I have not yet received the bill."—*Harper's Bazar*.