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TORONTO, FRIDAY, OCTOBER 26, 1894.

## THE SITUATION.

General Booth is finding that the labor organizations, in Canada, not less than in Australia and the Cape of Good Hope, are opposing his projected immigrant colony. It is difficult to see how such a colony would interfere with the men who belong to the labor unions. General Booth's plan, as we understand it, does not propose to throw the emigrants into the general labor market, but to form of them a separate industrial colony, where they would be expected to earn their own living by cultivating the ground. Instead of competitors they would be allies and customers of other owners of labor, whom they would help and not injure. An industrial colony of men whose labor is now counted surplus, or at least not utilized, would be a positive addition to the productive forces of the country. There may be grounds of objection to the scheme in the fact that the material for the colonists would consist largely of paupers. For this reason, the experiment had better be made on a comparatively modest scale, and if serious objections to it were developed by experience, the Government ought to retain the power of preventing its further aggregation. Paupers, we all know, are not the most desirable immigrants; with them would pretty sure to be more than the ordinary proportion of the vicious and the idle. Objections are constantly made to Mr. Barnardo's youthful immigrants; but Mr. Barnardo, who keeps a better trace of them than anybody else does, denies their alleged objectionable character. The same is true of Miss Rye's girl immigrants. The whole subject is in a state of doubt and obscurity, and it would not be unreasonable for the Dominion Government to appoint a commission to clear up the facts.

For the first time Canadian three per cent. securities have reached par in the London market. Gradually the interest has been lowered from six to three per cent., so that an equal amount of debt imposes only half as much burthen as it once did. While this process has been going on, the debt has been increasing, but the increase has not been equal to that of the resources of the country. This is one of the secrets of the decline of interest; another cause is to be found in the general fall in the rate of interest. But we ought not to regard a future increase of the debt, either absolutely or relatively, as a desirable thing, but rather as a

danger to be avoided. No absolute limitation can be laid down, but every increase in debt should be accompanied with the means of paying the interest, and a policy of reducing the principal is not one that can be wholly excluded from consideration. It is encouraging to contrast the financial condition of Canada with that of our great neighbor in the earlier days of the republic. When the United States had a population three times as great as that of Canada to-day, the market value of her three per cents was only 62. At this time the debt of the republic was not over \$100,000,000. But it was at a time of depression much more severe than has been experienced in recent years; when bank suspension was the rule both in Great Britain and the United States. At no period in the first half century of the republic could she borrow on nearly so good terms as Canada can to-day, even when she was without debt.

Now that the power aqueduct scheme for bringing water from Lake Simcoe to Toronto has been referred to the city engineer and the city solicitor to report upon, we shall probably be able to get some definite idea of what is intended. When the city council was approached by the company, its proper course would have been to ask to have laid before it the plans and specifications of the intended work as a necessary basis of comprehending the scope and magnitude of the undertaking, and the way in which it was proposed to be carried out. Till these were forthcoming, no action of any kind should have been taken. These preliminaries were necessary as a mere guarantee of good faith on the part of the company, which, on business principles, ought to have volunteered this information without being asked for it. In England the charter would not have been granted until the plans and specifications had been produced. Either an open water course or a tunnel must be intended; the former is not probable, even if practicable, and the amount of power which could be brought by a pipe of say ten feet in diameter would be limited, no more, it is said on good authority, than the total power now used in the city. The report of the city engineer ought to show what prospect there is of water power being brought to the city in this way at a less cost than it can now be produced for.

Mr. St. Louis, contractor for the Curran bridge, is called upon by the Dominion Government to answer for alleged malpractices, by which a large sum of public money was improperly made way with, both in a civil action and criminal proceedings. The usual course is to proceed in one of these ways, either civilly or criminally, though both remedies are open to the complainant. Mr. St. Louis was a strong supporter of the Government, and it may be, a contributor to the election funds. All the more, the Government may feel the necessity of being unusually strict in the prosecution. Mr. St. Louis' friends complain that he should be pursued, in this way, by a Government to which he was friendly; but the plea cannot be accepted as valid. The case is one in which the Government itself might come under suspicion, and it is bound to show that its hands are clean. The suit and the prosecution are in some sort a provocation to Mr. St. Louis to retort upon his pursuers, if he can. The fact that they are both brought seems to show that nothing is feared by the Government. The case ought not to be prejudiced against either party to it. That gross wrong was committed has already been made plain, and for redress of these wrongs clamorous demands have been made. The progress of the cases will be watched with great interest. This is the third case of the kind which the Government has brought. It was bound to call Mr. St. Louis to account; whether it might not have been