

ESTABLISHED 1866

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### THE SITUATION.

As the election debate proceeds, it becomes evident that the tariff issue is not to be put out of sight by the prominence given to the Manitoba school question. Mr. Laurier has spoken and written on the tariff, within the last few days, and future discussion will make the issue more distinct to the public comprehension. In a letter in reply to certain queries put by Mr. G. H. Bertram, of Toronto, a Liberal and a manufacturer, Mr. Laurier says "the intention of the Liberal party is not, and never was, to establish absolute free trade in this country." He quotes the Liberal platform, laid down three years ago, at the Ottawa conference, that "the tariff should be reduced to the needs of honest, economical and efficient government." And he says, by way of explanation: "The Liberal party assert as a cardinal principle, that in the levying of the public revenue by means of a customs tariff, the duties should be imposed simply with the view of collecting the necessary revenue of the country." Against the Government policy of levying duties for the purpose of protection he opposes this plan of a tariff for revenue only.

Mr. Laurier promises that if he gets the chance, he will make the burden of taxation bear, as nearly as possible, with equal weight upon all classes; but he makes two notable exceptions; by one of which luxuries would be more heavily taxed, while "all the necessities of life should be more lightly taxed and as nearly as possible free, and even in many cases entirely free." A revenue tariff, Mr. Laurier contends, would be stable because based upon "the fixed charges of the country." Fixed charges on the revenue taken in their natural meaning, apply to interest on the public debt and amounts payable under law; but here Mr. Laurier evidently uses the phrase to signify the necessary amount of public revenue. But even these are not constant, not always of the same amount, but fluctuate, generally with an upward tendency; and in promising to give to the tariff "conditions of stability and permanency," Mr. Laurier ventures very far. He even goes so far as to give us a forecast of a tariff "not subject to fluctuations," one "under which manufacturers would know that their invested capital would operate regularly, according to the conditions calculated by them; under

which their conditions with regard to foreign competition would not be arbitrarily jeopardized; under which the burden of taxation would be reduced to the lowest degree compatible with the exigencies of the revenue." Avowed Protection is generally defended as a temporary expedient; here incidental Protection is promised as a lasting resource. The scheme of permanent tariff which he has sketched, Mr. Laurier ventures to hope would please everybody except monopolies and combines, of which he, in common with the Government, expresses disapproval.

Mr. Laurier, in his London speech, gets about as far as possible from the idea of continental free trade when he declares in favor of preferential trade within the Empire. And in this item he claims that he is in a position, as an advocate of a revenue tariff, to outbid Sir Charles Tupper and the Government. Besides, in this particular, he claims that he is in unison with the views of Mr. Chamberlain and the *Times*. He admits the great benefit that Canada would reap if she could send her wheat, cheese and butter to England on better terms than are accorded to foreign nations. What he would give in return would be to lower our tariff to the revenue point; and here it is that he claims to be in a better position to make a bargain with the Imperial Government than the political party which he opposes. They cannot, he contends, have preferential trade and protection at the same time; that their choice is already made and they cannot move. It is now in order for Sir Charles Tupper to reply.

In the case of the American schooner "Frederick Geering, Jr.," seized off the coast of Nova Scotia by the Canadian cruiser "Aberdeen," for fishing within the three mile limit, the defence amounts to a roundabout denial that she was so near the shore. The denial, far from being direct, is made to depend upon the position in which another vessel, the Canadian cruiser "Vigilant," is alleged to have been, on the alleged statement of her captain that "she was jogging on the three mile limit" when the "Geering," according to those on board of her, was 150 yards farther out. The captain of the "Geering" also states that he had often fished on the spot where the capture was made; but whether she had been observed by the cruisers and not molested, is not added. On the day of the capture, the allegation is made that the "Geering" had been seen by the "Vigilant" where she was captured by the "Aberdeen," and not interfered with. It remains to be seen whether the captain and crew of the "Vigilant" will corroborate this statement. The chances are ten to one that the evidence will show that the captured vessel was well within the reserved limit. To the mode of capture, Captain Doran of the "Geering" is said to take exception. His complaint is that the Government steamer nearly capsized the schooner and caused a large quantity of mackerel to be lost overboard. If this were true, which it would not be reasonable to assume, the question would arise, under the circumstances, to whom the mackerel belonged. The chances are that the evidence will show this complaint to be either an error or a gross exaggeration.

The House of Assembly of Cape Colony has unanimously passed a resolution condemning the invasion of the Transvaal, and trusting that the British Government would set on foot an enquiry into the origin and carrying out of the raid, and promising assistance to make the enquiry effective. At the same time, the House recognized the steps that have been taken in that direction, and expressed the hope that a repetition of the offence would be prevented. A hint was thrown out that it might be