

"Partly by reason of the disturbance to trade, partly as a result of the depredations of Southern cruisers, by the close of hostilities in 1864, the American flag had almost disappeared from the commerce of the high seas. The revolution in shipbuilding, by which metal began to supersede wood, made it the more difficult to recover the position that had been lost, and since then the proportion of the world's commerce, exclusive of the coasting trade of the United States itself, borne in American ships has grown continuously less."

In 1870 President Grant's message to Congress, said:

"It is a national humiliation that we are now compelled to pay from 20 to 30 million dollars annually (exclusive of passage money, which we should share with the vessels of other nations) to foreigners for doing the work which should be done by American vessels, American built, American owned, and American manned. This is a direct drain upon the resources of the country of so much money, equal to casting it into the sea, so far as this country is concerned."

That was 35 years ago. Next year he returned to the topic, and three years later, with the difference that by then the amount which the United States paid to foreign vessels "for the transportation to a market of our surplus products" had increased from the "20 to 30 million dollars" of 1870 to a round 80 millions. President Arthur promptly took up the subject, and it was only the accident of Mr. Blaine's defeat, on grounds that had nothing to do with this question, which saved British shipowners, nearly 20 years ago, from the competition of heavily-assisted lines, running certainly to South American ports, and probably to China and Japan.

The merchant marine of the United States then has been under consideration for nearly half a century, but, while presidents and Congresses have talked of its importance the marine has speedily declined. Is it not demonstrated by these records that the capitalists of the United States have never believed that merchant marine vessels of the ocean-going type could be built to pay? The States for many years have been flooded with money for industrial enterprises, some borrowed, some native, but not a single enterprise has been organized to build vessels such as are being continually turned out at Belfast, Glasgow, and Newcastle, as well as in German and French shipyards. The services now rendered the United States by the marine of other countries costs them no less than \$150,000,000 per year, which is from 5 to 7 times what was paid in General Grant's time.

In 1870 the American shipping engaged in its foreign commerce had 1,516,000 tons, against less than 900,000 tons at present. While the tonnage of United States vessels has decreased to extent of about 25 per cent. the commerce of the States has increased 300 per cent. Had the tonnage increased in propor-

tion to the trade, the States would now have had vessels on the ocean with a total tonnage of 4,548,000 instead of only 900,000 tons. The proportion of the foreign trade of the United States now carried in American vessels is only 9 per cent., whereas 35 years ago it was 35 per cent. and was then bewailed as so low as to be a disgrace to the country.

The present condition is illustrated by a traveller from a South American Republic going to the United States having to cross over to Liverpool and then taking a steamer to New York! The New York and Boston exporters to South America have to send their goods by the same devious route. As for the Pacific Coast, the people of California and Oregon are continually asking how they are to do the trade to which they are entitled with China and Japan, when there is hardly an American flag to be seen in Chinese or Japanese waters. With the question of freights and trade routes is bound up the question of financial exchange. There is much more involved in this native marine question than appears on the surface. Were the United States to be freed from the payment of \$150,000,000 yearly to Great Britain and other nations for vessel services they would have so much more national income and be able to influence more effectively the course of foreign exchange. Indeed, were Great Britain to lose her supremacy on the ocean as the world's unrivalled carrying power, she would lose an enormous foreign trade and her prestige would be materially lowered.

The United States Merchant Marine Commission, says a special correspondent of the "London Times:" "After holding sittings for the taking of evidence in some 20 cities scattered over the country, report that 'public sentiment throughout the United States is practically unanimous, not merely in desiring, but in demanding, an American ocean fleet, built, owned, officered, and, so far as may be, manned by our own people.' The difficulties in the way of attaining this end are, three-fold—namely, (1) the greater cost of construction of ships in American than in European shipyards—a difference which is estimated to amount to from 30 to 50 per cent.; (2) the greater cost of maintenance of a vessel under the American flag by reason of the higher scale of wages paid; and (3) the fact that the majority of other Governments already pay mail subsidies or bounties to ships plying on the most desirable routes."

The question is one on which Canadians should keep their eyes, as it has possibilities of developing conditions that will be prejudicial to this country, the mischief of which may be averted by Canadian shipbuilding enterprise being organized and encouraged.

THE BAPTIST FIRE INSURANCE COMPANY has been launched in England, over which the irreverent are making merry, as jokes are easily made out of such raw materials.