

GOLD AND SILVER.

The newspapers of the United States vie with one another in collecting information about the precious metals. The following items, taken from American journals, may be of interest to Canadian readers:

The market value of an ounce of silver is about 68 cents.

The value of a dollar depends upon its purchasing power.

In 1890 the purchasing power of a dollar was greater than before 1873.

The law of supply and demand holds good with silver as with any other commodity.

Anything less than 100 cents in the dollar is robbery to the extent of the shortage.

In twelve years after 1878 over 300,000,000 silver dollars were coined, yet the price of silver fell off.

If the parity of the two metals cannot be maintained a silver basis would be inevitable.

In 1884 the deposits in the savings banks were \$1,100,000,000. In 1894 they amounted to \$1,844,000,000.

In order to maintain the ratio of 16 to 1, sixteen ounces of silver must be equal to one ounce of gold in value.

Whenever a silver dollar cannot be made exchangeable with a gold dollar, depreciation and repudiation will begin.

More silver has been forced into the currency by fifty fold since 1873 than there was for eighty years prior to that date.

Legislation cannot make a fixed standard of value between two metals where their production is not also fixed by legislation.

Gold coin is the measure of value adopted by the leading nations of the world, in which all obligations are finally redeemable.

In 1870 the average wages paid each workman was \$302 a year. In 1890 the average wages was \$485, a gain of over 50 per cent.

The commercial ratio of actual value at which gold and silver can be exchanged is at present thirty-one ounces of silver to one of gold.

The legal tender value of an ounce of silver coined into money, backed by the credit of the Government on a gold basis, is \$1.29.

Free coinage of silver means the melting and stamping into money without charge by the Government of all silver brought to the mints.

A silver dollar of the present standard contains 371½ grains of refined silver, worth at the market rate of bullion a little over 50 cents.

Sound money and sound morals are synonymous terms. To pay a dollar's debt with a dollar worth 99 cents is repudiation to the extent of one cent.

Prior to 1873 but 8,000,000 silver dollars were coined by the Government. Since that time \$500,000,000 coined and uncoined has been forced into our currency.

Mexican dollars have a larger amount of silver than dollars of the United States. Yet an American silver dollar, backed by a gold standard, can buy two Mexican dollars.

A 50-cent dollar is one which contains 50 cents' worth of actual value, and maintains its face value only by reason of the pledge of the Government to maintain its parity with gold.

Sound money means all currency or circulating medium that is exchanged with any other currency or coin at par. We are at present on a sound money basis.

In 1873 the national debt amounted to \$1,710,000,000, with interest charges at \$96,000,000 annually. In 1892 the debt amounted to \$510,000,000, with annual interest charges at \$23,000,000.

Up to 1873 the value of silver mined was less than that of gold. To-day, although silver brings less money per ounce than before 1873, the value of the product annually mined far exceeds that of gold.

If the greatly increased production of gold in 1849-50 reduced the price of gold, it is reasonable to suppose that the greatly increased production of silver since 1876 would reduce the price of that metal.

When gold was produced in such unusually large quantities subsequent to the discovery of the California mines, it depreciated in value, and silver went to a premium and was driven out of circulation.

When the commercial ratio between gold and silver equals the legal ratio, a double standard can be maintained without loss to the Government. No one believes it possible for this to be maintained for any length of time.

When the Government by law purchased in 1890-91 four millions of ounces of silver per

month at the market price, the price of the white metal fell from \$1.21 to less than 85 cents an ounce, owing to the increased production.

If it were possible for the United States to maintain the parity of silver with gold for ten years, the increased profits of the silver mine owners would amount to more than the entire national debt.

From 1851 to 1860 the production of silver was \$400,000,000; from 1861 to 1873, \$790,000,000 or \$1,190,000,000 in twenty-two years. From 1873 to 1891 it had increased to \$2,028,000,000. For the three years, 1892, '93 and '94, the production of silver was \$601,000,000.

BRITISH SHIPPING.

Messrs. H. E. Moss & Co., Liverpool, in their semi-annual *Steamship Circular*, write:—

"We regret to say the pessimistic views we have so persistently foreshadowed have been, unhappily, more than fulfilled, and the first half of 1896 may be chronicled as the worst period in the annals of steam shipping. The anticipated increase of wages in the shipbuilding and engineering trades at the commencement of the year, together with the probable rise in the cost of raw materials and a slight spurt in freights, caused, as usual, a rush to order new boats, and some of the yards were filled with new orders for tramps and liners. These orders have now been nearly worked off, and if steamship owners will only content themselves in replacing such boats as are absolutely necessary for old-established and existing lines, we may hope to see that improvement in freights for which we have been waiting so long. It has been demonstrated beyond all measure that in long voyage trades it is only the newest and most modern type of steamer that can hold its own in the present days of excessive competition. The old and obsolete type of vessel must go to the wall, and for years past we have advised the realization of such property. Large numbers have been sold to foreigners and others to be broken up, but many thousands of tons yet remain and must inevitably follow suit. It is exercising the minds of many of our steamship owners as to whether the present existing rates of freights are to be considered the basis of the future. For our own part we do not think so. Granted rates are as low or lower than they have ever been, we believe they have touched bottom and will shortly improve. The new features to be chronicled are the introduction of steam into the Californian trade; the wonderful energy of foreigners, especially of the Japanese, who are starting new lines of steamers, even to our own doors, in opposition to our old-established companies; the great strides made in Germany in the art of shipbuilding, where our naval architects have recently had the opportunity of seeing that work in the German yards can be well, efficiently, and cheaply executed, a fact which has already told, and is bound to tell more in the future, on our own shipbuilding industry. Although quadruple-expansion engines are being fitted in some boats now building, there is no marked inclination to adopt them generally. Prices for building new steamers are about 5 per cent. all round higher than in December last, but many builders being anxious for work would willingly forego their standing yard charges, consequently orders can be placed practically at nearly the same prices. How long this will last it is impossible to say, but as other trades are thriving, the railways prosperous, board of trade returns increasing, surely these factors must before long have a beneficial effect on the shipping industry, and place it on a sounder and more profitable foundation.

A FRENCH CONTROVERSY.

The Paris letter of the *London Economist*, dated 25th June, has the following:

Referring to the bill to declare Madagascar a French colony in order to deprive the English and Americans of the benefits of the most-favored nation treatment, M. de Molinari, editor of the *Journal des Economistes*, expresses surprise that M. Leroy-Beaulieu, his confrere of the *Economiste Francais*, should have exposed himself to receiving the commendation of protectionists by his defence of the old colonial system in Madagascar. Allusion is made to the following passage in a recent article by M. Leroy-Beaulieu:

"It was really an exquisite *naivete* to imagine that after having sacrificed the lives of 7,000

men for the occupation of Antananarivo, and 120 to 130 millions of money for the cost of the expedition alone, without counting other expenses for the administration of the country during the next few years, France would resign herself to seeing the English, Germans and Americans placed on the same footing as Frenchmen, and enjoy the same rights in the great island." M. de Molinari remarks in reply to M. Leroy-Beaulieu that the English, who have not the reputation of being a nation of simpletons, do commit that exquisite *naivete*, and are none the worse off. In their colonies the French, Germans and Americans are placed on exactly the same footing as themselves. Their colonies are accessible to the trade of all countries, and have become developed so rapidly that they now contribute nearly one-third of the commerce of the United Kingdom. Their cost to the home Government is insignificant, while the French colonies, exclusive of Algeria and Tunis, constitute in the French Budget an expense of 80 million francs, and in the returns of the export trade of France a sum of 95 millions only, the greater part of which consists of requests for the army of functionaries, and are consequently paid for from the French Budget. M. de Molinari then reproduces a part of the article in the *Economist* of May 30th on the colonial policy of France, recommending it to the study of protectionists, old and new, to which he adds the simple observation that free-trade England, by opening her colonies to universal trade, without reserving any privilege for herself, gives all nations an interest in the success of her colonial enterprises, while they must rather desire to see protectionist France fail in hers. Will, he asks on this question also, French generosity be contrasted with English egotism?

THE DANGER OVER THE LINE.

They are not mincing words over in the States on the silver question. The staid, conservative *Harper's Weekly*, which has recently been non-partisan, mugwump in fact, refers to the Democratic presidential convention as a "mass of ignorance, bigotry and downright communism," and to the delegates as "a wild and clamorous crew filled to overflowing with all the nonsense and madness that are taught by hair-brained agitators." Advising the gold Democrats not to make any concessions, but rather to let the free silver advocates have full swing, the *Weekly* says: "There can be no compromise and no association with total depravity."

Upon this a Canadian exchange comments: "Well—who are really behind the 'ignorance, bigotry and downright communism' which the *Weekly* speaks of? No small body of people. So far from that, the probability is that the extreme condemnation of *Harper's* applies to nearly if not quite to one-half of the people of the United States."

One wishes that *Harper's Weekly* and other respectable papers, which in the States are consistently anti-British and anti-Canadian in their tone, could realize how outsiders, especially outsiders so critically situated as the people of this country are, look with apprehension upon the steady cultivation by these respectable papers of anti-British sentiment. If reason were to be relied on in the people of the United States in international relations, one would not mind even persistent unfairness in the press. But can foreign nations expect reason in a people one-half of whom, at least, are collectively described by intelligent fellow citizens as either being or as being led by fools, bigots, communists and hair-brained agitators, totally depraved?

—The magnitude of the fishing business on the Pacific coast is thus illustrated: A canner has computed the following interesting figures. There are some fifty canneries in operation in British Columbia. Each cannery averages 40 sockeye nets (some have less and some over a hundred). These nets are 150 fathoms long and 45 meshes deep, and contain fifteen and a half miles of twine. So that the twine used in all the canneries of British Columbia would stretch 31,000 miles. The weight of these nets is estimated at 82 tons, and the twine, if placed in two-pound balls side by side, would reach from Vancouver to Westminster, 12 miles. The cost of these nets would be about \$125,000, and these calculations do not include spring salmon nets—lead lines or cork lines.