

The offences that are being so persistently charged against the Ontario Government by the Opposition press and by some at least of the candidates of the Patrons of Industry, can scarcely be regarded as capital crimes, yet some of them are distinctly at variance with the Liberal principles professed by Premier Mowat and his colleagues. For that and other reasons the discussion is having a good deal of effect upon public opinion. We refer particularly to the question of payment by fees. In the matter of appointments it is quite unlikely that very many thoughtful electors will be ready to declare in favour either of local appointment or of local election of officers, most of whose duties are, after all, provincial rather than municipal. Of course, if in any case it can be shown that the duties performed are purely municipal, it would be impossible to dispute the justice of the demand for local appointment and control. This would involve, logically, local payment of salaries. But payment by fees does not necessarily mean local or municipal payment. A good deal of complaint has been made in reference to the appointment of license inspectors by the Government, but it would be obviously unfair to hold the Government responsible for the success of either a licensing or a prohibitory act, while denying it the right to choose its own agents and officers to enforce the law. The effectiveness of the Government's defence on this count of the indictment depends, obviously, upon the question as to whether the primary responsibility for the duties performed rests upon the Government or the locality. But the system of payment by fees seems to us much more illogical, if not indefensible. We do not mean that the collection of fees may not be the best and fairest means of raising the money. But the payment of the officials employed, or of their chief, by fees by no means follows as a necessary consequence. Let those who use the Government officials by all means pay for the service, but let moneys thus received go into the public chest, and let the officials themselves be paid, like others less favored, fair and reasonable remuneration for their services.

The dangers which still beset the Wilson Tariff Bill will be greatly increased if, as seems now probable, the Income Tax be made a part of it, so that the two must stand or fall together. The Income Tax proposal finds many enemies among Democrats as well as Republicans. Yet, theoretically, as we have before said, a graduated income tax, such as was originally proposed, seems to us to be one of the fairest forms of direct taxation. The chief objections are to its inquisitorial character and to the temptations to fraud which it presents. As to the first, it is difficult to see how any direct tax can be imposed and made to bear fairly upon the citizens in proportion to their means, without being

liable to the same objection. The Government agents must ascertain, as nearly as may be, the amount of each individual's property or income before they can estimate his share of the common burden, under any circumstances. Whether any form of direct taxation can involve more of the inquisitorial element than is inevitable under either a protective or a revenue tariff, let anyone judge who has ever had his own, or seen another's trunks and boxes, overhauled by a customs official. But it cannot be denied that in eliminating gradation as a feature of the proposed tax, those who have the bill in charge have greatly injured the measure from the logical point of view. No reason can be given why an income of \$4,000 should be taxed and one of \$3,000 exempted which is not equally valid in favor of taxing an income of ten thousand dollars at a higher rate than one of five thousand. The principle of gradation is involved in the exemption of the smaller incomes. Moreover, the increase of the rate of taxation in proportion to the size of income would have the effect to some extent of imposing a check upon the acquisition of immense fortunes, which is admitted on all hands to be one of the serious evils of the time. A peculiar incident in connection with the proposal to begin with four thousand-dollar incomes is that the man whose income is a trifle less than four thousand would really be better off than his neighbour with exactly that amount of salary.

Free wool, free coal, free iron ore, free lumber, free sugar. Such are some of the net results of the long tariff debate in the House of Representatives at Washington. Important reductions have been voted upon many other commodities, but in regard to these great staples of commerce and industry the logic of free-trade has done its perfect work. Of course the Senate has yet to be reckoned with, and it is very likely that it may modify or reverse the action of the House in regard to some or all of these articles. But none the less the action of the more popular branch of Congress shows that an immense stride has been taken in the direction of commercial freedom. The debate had many interesting episodes. It brought out many strange opinions. Among the most remarkable, not to say pitiable, was the anxiety displayed by a number of the speakers lest the lowering or removal of this or that duty might benefit Canada. In some cases this may have been the outcome of narrow prejudice or dislike. In others it was probably the offspring of fear lest such concessions might retard the growth of the annexation sentiment, which, in the face of all observation and experience, they still believe can be created or fostered by a hostile tariff policy. But no doubt most of those who used the argument in question did so in consequence of their belief of the absurd theory that whatever

one party in a business transaction gains must be lost by the other. In this belief it was, we charitably hope, that certain Representatives went into elaborate calculations to show that such and such reductions would benefit Canada to the extent of so many thousands or hundreds of thousands of dollars, as if this were any proof that they might not benefit the United States to a still greater extent. But the light is spreading. The progress made in the direction of sound commercial principles is greater than could have been thought possible within the time, three or four years ago. Whatever obstruction may result from Senatorial action may retard but cannot block the wheels of progress. Another five years, it is pretty safe to predict, will see a vast and mutually profitable increase of trade between these two Anglo-Saxon peoples. Both will one day be heartily ashamed of this double-tariff-wall period of their history.

The visit of Prince Bismarck to the German Emperor at Berlin, his reception by the latter, and the popular demonstrations on the occasion were dramatic enough for Paris. Much speculation has been indulged in touching the supposed significance of the event. One does not care to be suspicious or cynical in such a case. The veteran statesman does not seem himself to have given way to any effusive emotions. Nor is there any reason for doubting that the Emperor was honest enough in his manifestation of delight at the successful completion of the formal act of reconciliation which he has for some time been trying to effect. It is easy to believe that he has often found cause to regret, from personal feeling as well as on grounds of public policy, the long estrangement which has resulted from a course upon which he at first entered seemingly with a light heart. No doubt the great leader and popular idol did not accept his displacement with the submission which may have been expected from the intense loyalty of an old soldier. A good deal of embarrassment has resulted from time to time from his outspoken criticisms of Imperial proceedings and policy. There is, so far as appears, no reason to suppose that the event has any political significance, other than that which belongs to it as an evidence of the Emperor's anxiety to consolidate all the strength of the empire for the struggle in which it may at any moment be involved. As to the future, it seems unlikely that either can ever so far forget the past as to make the resumption of the old cordial and confidential relations in any way possible. Bismarck, in particular, is not the man—indeed his grave bearing on the occasion deemed so auspicious may be taken to indicate—to let bygones be bygones so far as to forget, even though he may forgive, the treatment he has received at the hands of the young monarch who was so concealed