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FROM SOUTH TO NORTH. **T**IME was when the Dominion's representatives used to make pilgrimages to Washington to arrange trade relations. Lately, Canadians have felt a quiet satisfaction in noting that Uncle Sam has been doing us the courtesy of "returning calls" by sending tariff negotiators to Ottawa. The callers have returned home without the hope that Canada will in any way modify her tariff attitude towards other countries in order to secure minimum duties on exports to the United States.

The likelihood of this stand resulting in the United States maximum tariff being applied against Canada, will worry the Washington of the North less than that of the South.

Said the New York Journal of Commerce recently: "Manifestly the conditions to be dealt with in applying the maximum clauses of the tariff to Canada are essentially different from those existing in France and Germany. The capacity of Canada to inflict injury on our trade is greater than our capacity to inflict injury in return."

Which is evident enough when it is remembered that for every dollar's worth of goods the United States buy from Canada, they now sell her two dollars' worth. In the calendar year 1909, Canada exported \$99,225,503 worth of home products to the United States—importing in return \$197,470,108 worth of goods for consumption. With this country's rapid growth, its markets become more and more important.

AND HOME AGAIN. **A**S pointed out in THE CHRONICLE a week ago, the commonsense American attitude is well put by the New York Commercial Bulletin, when it

says that "Canada has done nothing unduly discriminating against the United States," and what is perhaps more effective, that the imposition of the maximum tariff "would hurt our people, far more than hers, for they have plenty of other markets for their surplus products." While the departure of Messrs. Emery and Pepper from Ottawa has been taken by many as definitely auguring tariff war, there are still those who incline to the view already expressed in these columns, that when neither country wants tariff war its happening would not appear to be inevitable.

But in the event of the States imposing a 25 per cent. surtax at the close of this month, and of Canada retaliating in kind, the Dominion's preference to its best customer, Great Britain, will be well nigh doubled. By heightening its customs wall against its chief purveyor, the United States, Canada would be doing much to make the course of trade run more and more East and West. Those who look for closer Imperial trade relations may be pardoned if they are not so anxious as might be to see tariff war with the United States averted.

RETARDATION AND CONSERVATION. **R**ETARDATION is not conservation, says Hon. Mr. Graham, Minister of Railways. Speaking in committee at Ottawa this week with reference to a private bill, Mr. Graham admitted that the question of granting water power privileges bristled with difficulties. Merely to prevent development was not conserving natural resources. If they could be surrounded with safeguards in their development, the interests of the public would be protected. If water powers were to be developed, private enterprise must not be blocked, and it did not concern the public what company was developing them so long as their interests were protected. Mr. Graham pointed out that if a company developed 10,000 horse power and only needed 5,000 for its undertaking, no harm was done if it disposed of its surplus, subject to the control of the Railway Commission of the rates charged.

Granting all this, Mr. Graham still recognizes that closest scrutiny is necessary with regard to the various power company bills coming before Parliament from time to time. This week Mr. Clifford Sifton, chairman of the Commission of Conservation, gave out an interview regarding the Long Sault Transmission Line Bill (which the Private Bills Committee has since reported to the Commons in amended form).

Mr. Sifton stated that the commission opposed the passing of the original bill on the grounds that it is unwise to pass legislation which will complicate the position or tie the hands of the Government when it comes to decide upon the applications pending before it for leave to dam the St. Lawrence river at the Long Sault Rapids.