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## FINANCE AND ECONOMY IN QUEBEC.

The first division in the new House decided by the casting vote of the Speaker, proved that the new government had no majority on which it could rely; and before the amendments to the address were disposed of it found itself in the minority of one, being defeated on the constitutional question, on which the dismissal of the late ministry and the resulting elections had turned.

The new government came in declaring a policy of retrenchment as its principal aim. Retrenchment would have been possible only within certain limits; certain fixed charges, constituting imperative obligations and being incapable of reduction. These include interest on the public debt—an increasing amount—and other similar items. The late government had found itself under the necessity of seeking out new sources of revenue; and as it was anxious to avoid a land or income tax, its available sources, in the way of direct taxation, to which it was confined, were limited. The consequence was that it made choice of taxes of a doubtful nature, one of which was judicially pronounced *ultra vires*, and it is not certain that some others subsequently proposed might not have shared the same fate as the insurance tax. The new government professed its ability to get on without any new taxes; that it could reduce the expenditure by an amount that would bring it within the revenue. Its members commenced by declaring a determination to reduce their own salaries below an amount that would have certainly been inadequate to meet their personal expenditure. Economically such a reduction cannot be considered sound.

There runs through all employments, of whatever kind, what is called the necessary rate of remuneration, and economists are agreed in fixing it not below the amount required to support the recipient in the sphere in which he is obliged to move. This rule applies equally to the cabinet minister and the humblest labourer. When

the wages of the labourer fall below this necessary amount, starvation, and probably premature death, follows. The cabinet minister, similarly placed, might not starve; but he would find himself worse off at the end of the year than he was at the beginning. He would trench upon his private sources; he would give a considerable portion of his time to private employments, or he would get into debt. Probably more than one of these results would happen. The only one of them against which it is impossible to guard is that of dividing his time in the way indicated. Mr. Blake has declared it impossible to get the best qualified lawyers to take the office of Minister of Justice, if that functionary is to be debarred from practising. The general rule must always be—and it is dangerous to admit exceptions—that Ministers of the Crown are not paid in a way that induces to true economy in the finances of the State, unless they receive as salaries what will meet their necessary expenditure. Whatever be the attractions of ambition, superior talent cannot be obtained on any other principle, unless there be associated with it a disposition to make unlawful gains. We only lay down the general rule, without imputing any improper motives to M. Joly. We have been unable to congratulate Mr. Joly and his colleagues on this piece of economy, well meant though it may have been.

It is probable that some other economies might be made which would not be open to any of the above objections. But there is so far no detailed programme of what the Joly government intended to do, in this respect, and there is nothing to criticise. The previous administrations, since Confederation, had carried public enterprises to the verge of safety. The railways they fostered and took in hand will no doubt tend to enrich the country; but it is possible to buy too many necessary as well as unnecessary things. Such enterprises do not fairly come under condemnation as extravagances, though there is folly in carrying them too far, and in such folly the highest degree verges on the criminal.

Though in the doubtful experiment ventured upon by the Lieut. Governor he has not been sustained, the result will not be wholly evil. Whatever government may now succeed in establishing itself will be recalled to the duty of observing constitutional rules, from which M. de Boucherville had certainly departed; and a study of how the administration can be most economically conducted will become a necessity. Still no one can now contend that the experiment of the Lieutenant Governor is one to be repeated.

## THE PHOSPHATE COUNTRY.

A letter which we recently published relating to the above mineral, took exception to figures quoted in our preceding articles as being freely offered for it in Montreal. The writer of the letter considered that the prices we named as being paid by buyers were the result of "competition outside the market," and, therefore, not to be relied upon as affording a standard of value. We only know that the prices we gave were quoted to us, as being offered, not in one instance only, but on several hands; and we have a seen copy of recent account sales, which bear out what we stated upon that point.

Our correspondent showed himself well informed upon the general subject of the handling of Apatite, however, in the schedule of possible expenses to be incurred before that substance can be laid down in Britain. And when he mentions \$8.50 per ton as the cost of transporting it thither, and gives the items which go to make up that sum, he is probably so far right that only well established connections and prudent handling will enable an exporter to place it in England at a cost much less. The charges upon a lot shipped some months ago, were, we know, under seven dollars per ton.

And his caution as to placing fancy values upon Phosphate, and paying more for it than will admit of a profit, is well founded, in view of the mistakes that have been made in this direction in respect of this and other minerals. It is certainly not well to be rash, and it is wise sometimes to make haste slowly and intelligently, and so avoid the waste and disappointment that have attended unskilled development of mineral substances in this country.

But, looking at the vast requirements of the trade, the prospect is certainly reassuring. Up to 1875, the exports of Canadian phosphate were under 2,000 tons per annum; in 1876, about 2,500 tons; in 1877, rather less than 6,000 tons. This year, up to the 28th May, 1285 tons were shipped via the St. Lawrence; of which 935 tons were sent by barges to be transferred on ship-board at Quebec, and 350 tons were sent from Montreal to Britain direct. The shipments for 1878 are estimated to reach 10,000 tons, and it is to be hoped that this quantity will be doubled next year. In this connection it is instructive to note that the development of the South Carolina beds of Coprolites, or low-grade Phosphates, has grown from small beginnings in 1869 to the amount of 199,086 tons in 1877-78, of which 115,965 were shipped to foreign ports, 64,486 tons coastwise, and upwards of six-