

THE HERALD

WEDNESDAY, OCTOBER 19, 1910

SUBSCRIPTION—\$1.00 A YEAR.

TO THE UNITED STATES \$1.50

PUBLISHED EVERY WEDNESDAY

AT 81 QUEEN STREET,

CHARLOTTETOWN, P. E. ISLAND.

JAMES McISAAC,

Editor & Proprietor

Returned printed envelopes containing subscription remittances will be gladly accepted from day to day. Please do not delay.

Imperial Reciprocity

II

In our last issue, we referred to the changed attitude of the United States authorities in the matter of reciprocity with Canada, and we quoted some expressions of American manufacturers, which left no doubt as to the motives by which our republican friends are actuated in their urgent desire for negotiations along these lines at the present time. The interests of the United States, regardless of Canada's advantage or disadvantage, are paramount for reciprocity now so much alive across the line. We are not much in need of reciprocal trade arrangements with the United States, and there is very little sentiment in that direction in Canada at the present time. What is most to our commercial advantage now, and what we should most earnestly strive for, as we pointed out last week, is preferential trade with the Mother country, or Imperial reciprocity.

It is quite evident, judging by recent advices from England, that the sentiment in favor of preferential trade within the Empire is growing in the mother country, and is likely to become a very live issue in the near future. The action of the Canadian government in negotiating treaties with foreign countries is having a marked effect and both in the press and on the platform the warning uttered by Sir James Whitney that the policy of drift on the part of the home government in not grappling with the situation may jeopardize the cause of Imperial unionism, is being heartily endorsed. The possibility of reciprocity between Canada and the United States is also viewed with alarm, as tending to loosen the ties which bind the Dominion to the Mother Country.

The Premier of Ontario, on the occasion of his recent visit to Great Britain, availed himself of every opportunity to express his views on what he regards as a vital question. In an interview with the Standard of Empire Sir James reiterates his opinion that Imperial unionism was seriously prejudiced by the conclusion of commercial treaties by Canada with foreign countries before an understanding on trade questions had been reached with the mother country. Austin Chamberlain, a former chancellor of the exchequer, in a recent speech at Birmingham, took the same ground. What he had prophesied, he declared, had happened. "The Canadian government had negotiated and were still negotiating those commercial treaties with foreign countries which they would have made with Britain, if she had been ready to grasp the outstretched hand. It would be deplorable if the next Imperial Conference passed with nothing done." The Bristol delegates during their visit to Canada found the same feeling prevailing. Mr. T. B. Johnson, one of their number, in an interview emphasizes the tariff reform question as the first thing Canadians spoke of. Canadians, he added, were continually asking how long it would be before

England made up her mind. Sir George Doughty ex-M. P. for Grimsby, takes a more hopeful view, and in a recent address before the Toronto Canadian Club, predicted that in the near future a preference would be given Colonial products over every other nation in the British markets.

Discussing the urgency of Imperial preference, the London Times thus sums up the situation: "What remains to be done can only be done by this country, and can be done by no other means than a change of the trade policy. The last election has shown how very nearly persuaded the British electorate now is that a change of policy is essential to its own prosperity. There is a majority for such a change in the present parliament. The next appeal to the electorate must necessarily, of course, turn largely on the constitutional question, on which necessity, even more than policy, is leading ministers to concentrate. But although the power and prestige of the second chamber must stand in the forefront of Unionist speeches in the country, it is equally essential that the party should leave no stone unturned in setting out the urgency, on Imperial as well as domestic grounds, of tariff reform. The broad facts of the situation are easy to bring home. Reinforced by the overwhelming power of sentiment which surrounds the imperial idea as well in this country as in the Dominions beyond the sea, the argument is one to which the political instinct of the country will unfailingly respond."

On the subject of reciprocity, with our American cousins Sir James Whitney is equally emphatic, as on the matter of Imperial preference. In his interview with the Standard of Empire, he deprecates any such arrangement with the United States. The London Daily Mail is responsible for the statement that British free traders are doing their utmost to bring reciprocity about; "more from ignorance and fanaticism than malice," adds the Mail, "but it is high time they recognized the possible consequences of their folly." In this country, there is no evidence that the subject of reciprocity is rousing any interest, even with well founded rumors of a coming conference. President Taft is quoted as saying he "believes that on both sides of the boundary line there is much sentiment in favor of an agreement on tariff matters, except among the manufacturers of Canada." This sentiment is not apparent. However, urgently Canadians may desire Imperial preference, as a whole they cannot see the supposed advantage that a tariff agreement with the United States would bring. As the Toronto News points out in discussing the question, the electors have again and again "expressed themselves in favor of guarding Canadian industries, and thus stimulating the home market for agricultural products. The free traders, who form an important remnant of our population, are not at all backward in self-expression, but votes, not words, influence the fiscal policy of the country."

Even if public opinion in Canada favored tariff reciprocity with the United States, the time is not ripe for negotiations. Recent events across the border show that there is wide-spread revolt against the high protection policy inaugurated with the McKinley and Dingley tariffs and continued by the new Payne-Aldrich tariff. A revision of the tariff downward is almost certain. If not made by the Republicans it will be made by the Democrats. Canada has everything to gain and nothing to lose by awaiting the trend of events.

Mr. Foster on Reciprocity.

An instructive and forceful article from the pen of Hon. George E. Foster, on the question of reciprocity with the United States, appears in the current number of the Canadian Century. Mr. Foster makes out a strong argument that the present time is not opportune for Canada to enter into negotiations. Why, he asks, are our neighbors offering inducements with a view to getting reciprocity? The answer he finds in conditions in the States. President Taft and his friends are seeking something with which to commend themselves to their own people. He sees danger in the belated repentance of the Republican party. It does not wipe away the recollection of the party's long continued opposition to fair trade agreements.

The unfairness of the discrimination against Canada under the Payne-Aldrich tariff act, is well illustrated by Mr. Foster. Canada, he points out, gives the United States a free list of \$90,000,000, or one-half the total imports from that country. The United States gives Canada a free list of \$33,000,000, \$57,000,000 less than we give the Republic. Canada's tariff is on the average about one-half the tariff of the United States. Canada bought in the last recorded year \$193,000,000 worth of goods from the United States. The United States bought \$93,000,000 worth from Canada. We entered into a little treaty with France, and because there were a few articles upon which the duties were special to that country, the United States, which already has so large an advantage here, threatened under the Payne-Aldrich Bill to penalize Canada by imposing a further duty upon every dollar's worth of goods sold by us to that country.

Mr. Foster does not believe that under the circumstances President Taft would have dared to allow the penal clause to go into effect. The injustice and unfairness of it would have been too obvious and too glaring, and would have been condemned by every fair-minded man in the Republic. Public sentiment would not have stood for it.

"But," he continues, "if President Taft was up against it in this respect he found himself in another and still worse predicament. What was the penalty? To impose straightaway on every dollar's worth of the dutiable imports from Canada one-quarter of a dollar in addition to the already high rates of the tariff. That is to say the Republican Party would have to take the onus of raising a tariff already averaging 42 per cent. by 25 per cent. ad valorem, or to the dizzy height of 67 per cent. They would have to do this in the case of one of their best customers and in respect to a trade mutually aggregating \$300,000,000. In the face of insurrection widespread in their own party, because they had not revised the old tariff downwards, would they have dared to raise it by a horizontal 25 per cent? It would have been quick suicide."

To imagine that President Taft and his party would have forced and faced such a situation, Mr. Foster says, is to under-rate party sense to say nothing of common sense. In addition had the penalty been imposed, Canada could have responded with a heavy surtax upon all imports from the United States. Upon the Republican Party would have rested the onus of unmerited provocation, and the great disorganization of a trade already reactionary and spotty.

But the difficulty in which President Taft found himself was overcome by Mr. Fielding, who, as Mr. Foster puts it, appeared as a guardian angel with his good tidings of great joy and led the President and his party up the hill of victory. It is plain to see, he adds, who at that time wanted and got the measure of unrequited reciprocity.

"Once more," continues Mr. Foster, "the administration party of the United States is in trouble, and the trouble is becoming acute. The strengthening its ranks, won some notable victories, and is steadily marching on, to the dismay and consternation of the old party leaders. The Democrats call for a lowering of the tariff, and in the Eastern States have been talking reciprocity with Canada as a means to effect that end. The insurgents all for a revision of the tariff downwards and are pressing the old guard to the wall in state after state."

"From this situation the administration see a way out if they can persuade the government of Canada to a measure of reciprocity which will lower the high duties

of the United States somewhat and enable them to exhibit enlarged market prospects in Canada for United States products. Again, President Taft is looking for deliverance. He and the Old Guard want it and want it badly. If only now the angel from Canada will a second time appear for his deliverance salvation might be complete, and the insurrectionists and Democrats alike be buried fathoms deep."

"I trust the government of Canada will not a second time play the opportune catspaw and rescue the chestnuts from the threatening fire. Of all times this is the most inopportune for Canada to negotiate. Negotiations should proceed upon equal conditions and today the tariff conditions are grossly unfair. Let the heaven work in the United States; let them pare down their exorbitant duties and give us fair reciprocity in tariffs. Then if it is to our advantage we can determine whether or not negotiations for further mutual reductions are advisable."

"Today it is safe to say that no important Canadian interests are calling for further treaty engagements with the United States in trade matters. A belated repentance, hastened by internal difficulties, does not at once wipe away the old time and long-continued opposition of the Republican Party in the United States to fair trade arrangements. This late repentance may be flattering to Canadian pride, but should not lead us to rashness. Let us rather beware and let us for the present 'stand pat.' I fear the Greeks most when they bring gifts."—St. John Standard.

Railway Regulation.

Although there was little novelty in the railways presentation of their case for the advance of their rates, there was much that was novel in the shippers' contentions. In Chicago it was testified by one railway that forty million dollars of earnings had been put back into the property. In this city it was testified that some thirty-five millions of dollars of earnings had been expended upon the new Pennsylvania terminal. This was in accord with the formerly approved rule of practice by the best roads—"a dollar for dividends and a dollar for betterments." It was this principle of blowing the earnings back into the property which has kept down the capitalization of American railways, at the same time that their rates have not risen with other prices for services and goods.

On this formerly approved principle the shippers' counsel joined issue, taking their cue, it must be admitted, from certain rulings of the Inter-State Commerce Commission. These improvements made, from earnings were regarded as grievances, and in themselves as proof of extortion. It was asserted as a right that the roads should reduce their rates by whatever sums of earnings they have been accustomed to devote to improvements. Even the misfortune of the railways, were imputed to them for a fault. For example, it was alleged that because one road had lost large sums by equipment frauds and had proposed nevertheless, therefore it had overcharged by the amount it had lost by embezzlement, and should be held to reduce its rates by the amount of its losses. The broad position of those assuming to set for the general public is that the railways should be allowed to charge no more than would just prevent their setting up a defence of confiscation. And in estimating their permissible income the railways are held by those spokesmen to be entitled to no more than a reasonable income upon the amount of their own funds which they have devoted to the public use.

These gentlemen seem in some danger of winning a battle and losing a campaign. It is conceivable that they may prevent an advance in rates, and come to regret the consequent lack of vitality in the railways. American railways are far from having attained their growth. They are in need not only of income enough to sustain their life, but to stimulate their growth. There is a certain justice in having the funds necessary for their growth contributed by those whose patronage of the railroads is a source of profit, rather than by the general public whose gain from the railways is less direct. If the railways are held to capitalise their betterments and must borrow the money, interests must be paid on the money borrowed, and the rates must be adequate to pay the interest and provide a sinking fund for the extinguishment of the debt. As

interest and sinking fund must come from earnings, it would seem to come to the same thing in the end.

Whatever the merit of this argument on either side, it is plain that a new light is thrown upon what is thought to be regulation of rates. Heretofore it has been thought that the function of government was merely to assure that rates were reasonable and just, that is, neither extortionate nor discriminatory toward either persons or places. If the position assumed on behalf of the shippers is sustained there is no detail of the management of the railways too trivial for examination and control. It is not enough for the railways to sustain their claim that they need more money. They cannot justify on totals, but must prove in detail just how much they want for terminals, just how much they want for wages, how much they want for interest and so on indefinitely.

The railways plead that they cannot do it, and that nobody could. However that may be, it is evident that the success of the contention would establish a new definition of railway regulation, and one not in accord with the present law.—New York, "Times" Sept. 19th, 1910.

Flying Across the Atlantic.

Clearing its way through an ambient fog around, at a speed declared in wireless messages to be 25 miles an hour, without the aid of his engines which had been stopped, the great dirigible balloon America, in which Walter Wellman, on Saturday, started for Europe from Atlantic City, N. J., passed beyond the zone of direct wireless communication with shore shortly after noon Sunday. At that time the airship was about 100 miles northeast of Nantucket Island, Mass., which was rounded about nine o'clock Sunday morning, and apparently was following the trans Atlantic steamer lane. Adhering to this general northeasterly course, the America probably would be within call some time Monday of the wireless station at Sable Island.

Messages communicated with shore by means of nearly all times, through the medium of passing vessels, equipped with wireless. The message from the America which filtered to shore through the fog before the dirigible passed beyond the limit of direct communication with shore, were assuring to the present conditions aboard the airship, but one message signed by Mr. Wellman indicated doubt as to the success of the venture, he declared: "The outlook is not as favorable, but we are keeping up the fight."

An earlier message, also signed by him, said: "Have shutdown motors, and am heading east, northeast, making 25 knots without engines. Saving juice for wireless; dynamo not working. Thick fog, no observations obtainable."

To a query flashed about 12:45 p. m., from the wireless station at Sable Island, on Nantucket Island, inquiring: "Is everything ok?" Wireless operator J. K. Irwin, aboard the America, returned the brief answer, "Yes." The faintness with which the short reply was received was judged by the wireless experts at Sable Island familiar with local atmospheric conditions, and their effect on wireless messages, to indicate that the America was well to the northeast probably a little northeast of the wireless.

As the radius of the America's wireless transmitting power is understood to be 100 miles, it appears that the balloon was about that distance east, northeast of the station at that time. The lack of any reference to Saturday's message to any atmospheric disturbance Saturday night, is taken to indicate that the America was not affected by the storm which passed over New England.

Sable Island, Mass., Oct. 16.—Somewhere west of Nantucket Island, off the coast of Massachusetts, and approximately 300 miles from Atlantic City, Walter Wellman's airship America signalled a wireless "All's well," and a good-bye at 12:45 o'clock this afternoon, and swung on up the coast through the fog. (A wireless message yesterday said airship was abandoned and those on board rescued in lat. 35.63 long. 68.18.)

Australian Parliament.

According to recent advices from Melbourne, the present session of the Federal Parliament is likely to become historic in the annals of the commonwealth. Already parliament has carried through the senate the bill which empowers it to take over, develop, and settle the northern territory of South Australia, and before parliament rises this important measure, opening up many millions of acres, will have become law.

The great land tax bill has been carried in principle, and though numerous amendments have been made to it, and the attorney general, Hon. W. Morris Hughes, has promised some changes in detail, the measure will go on to the statute book with its main objects preserved intact. Fault has been found with certain provisions as likely to create and perpetuate injustice, but the federal government has undertaken to give full and frank investigation to every point so raised, and to modify or expunge any section which is susceptible of misinterpretation.

Among other important measures, the compulsory military service bill has now passed through all its stages, and will be the law of the commonwealth three months hence. Also important provisions are under discussion in connection with the naval defence of Australia.

In connection with this question Admiral Sir Reginald Henderson, who has been invited by the federal government to report upon the question of naval defence, is now in Melbourne in consultation with the prime minister and his colleagues. Admiral Henderson has already conducted an inspection of the ports and harbors of South Australia, and will begin his inspection of the port of Melbourne this week. As at present arranged, he will go hence to Sydney, and from there proceed northward to make an inspection of the Queensland ports before making his first report on the subject.

PATON'S--The House of Quality--PATON'S

FALL OPENING
After a Bountiful HARVEST

There is a nip in the air that will make you think of warm underwear and furs. Are your furs ready? You can profit by the saving of one-third on seventy-five pieces of sample fur ready for your choosing.

Genuine Mink Neck Pieces, \$10.75, \$15.00, \$18.00, \$25.00, \$30 and up to \$70.00

Genuine Alaska Sable Neck Pieces, \$10.50, \$15.00, \$18.00, \$22.00, \$25.00 up to \$45.00.

Genuine Sable Muffs, \$18.00, \$20.00, \$22.50, \$25.00, \$28.00 and up.

Marmot Muffs, \$8.50, \$4.00, \$4.50, \$5.00, \$5.75, \$6.50 up to \$13.50.

Marmot Neck Pieces, \$4.25, \$4.50, \$5.00, \$5.50, \$6.50 up to \$18.00

See the new BOLSTER MUFF the latest fad of the season.

PATON'S.

PATON'S.

Where Your Clothes Money Buys Most--and Why

When you buy a suit or overcoat, what are the things you insist on? Good materials, fine workmanship, fashionable cut, stylish appearance. And practically every clothing dealer advertises these things as attributes to his garments.

There is a wonderful sameness about clothing advertising in this respect. And when all are claiming the same thing, on what grounds can you base a choice?

There is one brand of clothes--and only one--which offers you more, that is PATON'S.

New Fall Overcoats, \$8, 10, 12, 14, 16.

Convertible Collar Overcoats, \$12, 15, 20, 22, the best in town. We guarantee you full value for every cent you invest in our goods.

Leaders in Ladies' Knitted Sweater Coats

If we could show you the value of these goods on paper we would not be able to supply the demand. The values are great. It will certainly pay you to anticipate your wants.

All sizes and colors worn, \$1.75, 2.00, 2.50, 3.50, 4.00, 5.00 and 8.75. Send us your mail orders. We cut under all catalogue prices. PATON'S.

Leaders in Dress Goods

More New Dress Goods here than in any two Stores in Charlottetown. HYGRADE. All wool chiffon Broad Cloth. When we say Hygrade we mean it. The goods must be seen to be appreciated. \$1.75 less Cash Discount and only at PATON'S.

Other Leading Goods

Diagonals, Panamas, Venetians, Henriettas, 50c, 75c, \$1.00, 1.25, 1.35, 1.50, 1.65, 1.75.

Yours for Dress Goods, value, assortment and low price.

PATON'S.

Sept. 28, 1910.

DIED

DECOURSEY—At Millburn, on September 5th, after a long illness of Bright's disease, James Decoursey, aged 64 years, leaving two sons in Chelsea, Mass. May his soul rest in peace.

MUGFORD—At Amherst, N. S., on Oct. 14th, 1910, Blanche Mugford, aged 17 years. Funeral at Bradshaw, Sunday.

McNEVIN—At Bonshaw, on October 16th, 1910, Nicholas McNevin, aged 83 years.

McDONALD—At Mount Stewart, on the 12th inst., after a lingering illness, Marion, aged 17 years, only daughter of Capt. A. A. and Mrs. McDonald. Her funeral took place to St. Andrew's, on Friday morning, 14th, and was largely attended. A high Mass of Requiem was celebrated by the pastor, Rev. A. P. McEllan, who also officiated at the Litanies and at the grave. Much sympathy is felt for Captain and Mrs. McDonald in the loss of their beloved and lovable only daughter, on the threshold of her young womanhood. Besides the parents two brothers are left to mourn. To all of whom we tender our deepest sympathy in their bereavement. May her soul rest in peace.

McDONALD—At the residence of his brother D. H., North Bedoune, James McDonald, aged 70 years. May his soul rest in peace.

NEWSOM—At Sealtown, on the 8th inst., Thomas Newsom, aged 56 years, leaving a widow, three sons and three daughters to mourn.

CRONAN—In this city, Oct. 18th, James Cronan in the 87th year of his age. R. I. P.

A Sensible Merchant.

Bear Island, Aug. 26, 1908.

MINARD'S LINIMENT CO., LTD.

Dear Sirs,—Your traveller is here to-day and we are getting a large quantity of your MINARD'S LINIMENT. We find it the best Liniment on the market making no exception. We have been in business 12 years and have handled all kinds, but have dropped them all but yours; that sells itself, the others have to be pushed to get rid of.

W. A. HAGERMAN.

New regulations for lobster fishing have been gazetted. They abolish the size limit all over the Maritime Provinces except for St. John and Charlotte Counties, where the size is fixed as in the past. However, as a restriction against the taking of small lobsters it is provided that all traps must have slats an inch and a quarter apart, and a net with a three inch mesh. There has been no reference to traps in the previous regulations.

KING EDWARD HOTEL

Mrs. Larter, Proprietress

Will now be conducted on

KENT STREET

Near Corner of Queen.

Look out for the old sign,

King Edward Hotel, known

everywhere for first class accommodation at reasonable

prices.

June 12, 1907.

June 12, 1907.

June 12, 1907.

June 12, 1907.

June 12, 1907.

June 12, 1907.

June 12, 1907.

June 12, 1907.

June 12, 1907.

June 12, 1907.

June 12, 1907.

June 12, 1907.

June 12, 1907.

June 12, 1907.

June 12, 1907.

June 12, 1907.

June 12, 1907.

June 12, 1907.

June 12, 1907.

June 12, 1907.

June 12, 1907.

June 12, 1907.

June 12, 1907.

June 12, 1907.

June 12, 1907.

June 12, 1907.

June 12, 1907.