

ed in the official returns of trade is inadequate and insufficiently detailed for the purpose. But so far as they can certainly be traced all the changes in the Japanese Tariff affecting Canadian exports are in an upward direction. In the case of flour which, last year, was the most important export from Canada to Japan, with the exceptions of fish and lead (although the trade has been falling off since 1907) the existing duty (on wheat flour) is an equivalent of 60 cents per cwt. The duty under the proposed new Tariff will be slightly in excess of 74 cents per cwt.; a rise of 28 p.c. The Canadian export of condensed milk to Japan has grown rapidly since 1907, and was last year of the value of 41,992 yen (say \$21,000). The existing duty upon condensed milk entering Japan is an equivalent of 56 cents per cwt.; under the new Tariff it will be an equivalent of \$2.30 per cwt., an increase of 311 per cent.

Leather and manufactures of leather only figure spasmodically as an export from Canada to Japan, but it may be of interest to note that the new duty on various kinds of manufactured leather will be 20 p.c. *ad valorem* instead of 10 p.c. as at present and on sole leather over \$6 per cwt. against \$2.36 at present. Paper and pulp now at 30 per cent. *ad valorem* will be advanced to 40 p.c. *ad valorem*. Lead, an important article in the trade between the two countries, will, so far as ingots and slabs are concerned, be advanced from 7½ p.c. *ad valorem* to 10 p.c. *ad valorem*. An elaborate classification of iron and steel products shows rises of from 20 to 420 p.c. in the new Tariff compared with the existing one; but in the case of iron and steel, of metal manufactures and in that of machinery it is not possible to say to what extent Canadian exports will be affected. As already mentioned, in the case of machinery, decreases in the Tariff upon those machines the Japanese are not able to make for themselves are balanced by extremely heavy additional duties on machinery, the manufacture of which is now undertaken in Japan.

According to the Japanese trade returns the average duty collected on dutiable goods from all countries in 1909 was 16 p.c. An examination of items representing over 85 p.c. of these imports shows that if the new Tariff comes into force without amendment the average rate of duty on dutiable goods from all countries will be increased to 23 p.c. or by nearly one-half. Whether reciprocal arrangements will modify these figures remains to be seen.

THE COURSE OF PRICES IN CANADA.

Among recent phases of economic discussion none has been more prominent than that which is summed up in the phrase "the cost of living." That this should be so is entirely natural. The widespread character of the phenomenon—confined neither to one country nor to one continent—would of itself assure it a foremost place in the thoughts of economists and close observers of affairs. But its nature ensures a far wider audience than is commonly devoted to the consideration of economic questions. The classes to whom "the cost of living" is of the utmost importance and who, in the very nature of things, are bound first to feel the effects of any change are those who, normally,

take no interest in economic questions, but who, practically affected by the question of "the cost of living" have not been slow to express their opinions upon it. So that scientific discussion has been supplemented by popular discussion to an extent that, so far as economic questions are concerned, must be unique in recent times.

In Canada, where since the beginning of the present century there has been a rapid and almost continuous rise in prices, discussion has been as keen as elsewhere, and a number of investigations of varying character into the nature and causes of the rise have been made by public and private initiative. The most important of these has now been concluded and its results are published by the Department of Labour in the form of a special report by Mr. R. H. Coats, B.A., Associate Editor of the Labour Gazette on the course of wholesale prices in Canada during the past twenty years, 1890-1909. This report is a valuable and important compilation, an indispensable work of reference to students of Canadian affairs. The carefully collated facts afford an excellent ground-work for those who are anxious to delve more deeply into economic causes.

The origin of the investigation is briefly this. The Department of Labour has since its establishment in 1900 dealt in a general way with prices in the Labour Gazette, the official journal of the Department. Some two years ago, as we are informed by the Department, it was decided to enlarge this feature and to inaugurate a more comprehensive and systematic means of treating the subject from month to month. It was decided to deal henceforth with wholesale and retail prices separately. As the latter depend largely on local conditions, publication was begun of a series of quotations of over thirty staple commodities entering largely into the cost of living received from forty-eight important industrial centres scattered throughout the Dominion. With regard to wholesale prices, a list of 230 articles, representing the most important departments of Canadian production and trade, was carefully compiled, with the intention of maintaining a record of their fluctuations from month to month and of combining and analysing the same in accordance with the well-known method of index numbers. Preliminary to the inauguration of this feature, and in order to establish it on a proper basis, an investigation was undertaken into the course of prices of the commodities in question since 1890. This investigation, which was begun in the closing months of 1908 has now been completed and issued in the form of the special report mentioned.

The 230 commodities are arranged, for the purpose of the inquiry, into thirteen general groups as follows:—

Group.	Number of Commodities.
1. Grains and fodder..	13
2. Animals and meats..	15
3. Fish..	9
4. Dairy produce..	5
5. Other foods (groceries, fruits, vegetables, etc.)..	57
6. Textiles—	
(a.) Woollens..	5
(b.) Cottons..	4
(c.) Silks..	3
(d.) Linens..	3
(e.) Jutes..	2
(f.) Miscellaneous..	2