

Canada should follow the example of the United States and adopt it. 2dly. It is argued that the *ad valorem* duty, which is calculated on the value at the port of exportation, bears much heavier on sugars shipped from distant countries like India and China than upon those of the West Indies and Brazil. It is therefore suggested that the *ad valorem* duty should be abolished. Now one of the most important changes in the tariff was the assessment of the *ad valorem* duty on the market value of the article in the United States, as the effect of the drawback allowed to exporters of the duties charged was to give an immense advantage to the American refiners. The polariscope has perhaps hardly been sufficiently tested as yet, but we gather from the Halifax papers, one of which, the *Morning Herald*, has interviewed Mr. Dustan, Mr. Bremner, the Hon. Alfred Jones and others, that the merchants and refiners are at issue on the changes. It appears from the *Morning Herald* that some journals have expressed an opinion that the present tariff has not had the effect of increasing the trade with the West Indies, and Mr. Dustan has published statistics of the trade during the last five years, his object being to prove the incorrectness of that opinion. We should not have imagined that any doubt could exist on the subject. The tariff was framed in the interest of the Canadian refiners, and has of course been entirely successful in its object. Under the old tariff the imports of sugar from the United States and Great Britain were about 93½ per cent, from the West Indies a little over 6, and from other countries less than one-half. Under the present tariff Great Britain and the United States send in about equal proportions rather over 6 per cent, West Indies nearly 64, Brazil 21, and all other countries nearly nine.

Mr. Dustan has been for some time engaged in erecting a new refinery at Halifax which, according to the reports that we have received will be able to refine from 1,200 to 1,500 barrels of sugar a day, and will be in operation in June. It seems quite probable that the supply of refined sugar will exceed the demand, and if so there will be a pressure on the Government for drawbacks, and if the United States system should be adopted the sugar refiners will receive bounties from the public chest to enable them to compete in foreign markets. The United States will pay their refiners a sufficient drawback to enable them to export sugars, and Canada will in all probability be enabled to export to the United States.

THE RECIPROCITY CRAZE.

We are less surprised to learn that forty-three members of Parliament should have committed themselves to a proposition that Canada should endeavor to effect reciprocal trade relations with tropical countries, whose natural products are dissimilar from her own, than to find that the Minister of Finance should be, according to the demi-official organ, "thoroughly alive to the importance of the subject," and prepared to give it his best attention. This notable scheme was propounded to the Minister by Mr. P. Fortin, M.P., a gentleman who has rendered valuable service to the navigators of the St. Lawrence, but who should bear in mind the old adage of "*ne sutor ultra crepidam*." Mr. Fortin refers to one or two failures of Gaspé merchants, owing to depression in the fish trade, and proposes that an attempt should be made to obtain an abolition or material reduction in the fish and lumber duties in various countries, conditionally on the reduction by Canada of the duties imposed on sugar and molasses. It must be borne in mind that none of the duties under consideration are protective, but levied for revenue purposes alone. We are referring just now to the duties on Canadian exports. The countries to which our fish is chiefly exported are those in the tropics, and are referred to by Mr. Fortin as the West Indies and Brazil. It would be imagined by a badly-informed reader of Mr. Fortin's letter that the West Indies was a country with a single Government, with which trade arrangements could be made, instead of being a group of islands, with between twenty and thirty distinct Governments, with many of which such arrangements would be wholly impracticable, while, if practicable, they would be altogether inexpedient.

The scheme of Mr. Fortin involves discriminating duties, and it is very improbable that the Imperial Government would consent to the establishment of such a system. When it was proposed by Sir Alexander Galt, some twenty years ago, it was at once condemned by the Ministers of the Crown in England. But let us for argument sake assume that there would be no such difficulty as regards Canada. We were told not long since that some such proposition had been submitted by parties in Jamaica. Now that Island is one of the Crown Colony Governments, and there is an absolute certainty that it would not be permitted to enter into such negotiations? Let us even admit that this difficulty could be surmounted, and that Jamaica would

receive our fish and flour free of duty on our receiving its sugar, either free or at reduced duties. Is it not perfectly obvious that all the sugar-producing countries in the world would retaliate unless we admitted their sugar on similar terms. Let us take the case of a foreign country, Brazil, and ask ourselves whether that Empire would venture to discriminate against the United States in favor of Canada, when the great bulk of its exports are taken by the former country. The natural products of Canada are to a great extent similar to those of the United States, and we cannot expect to avoid competition with the exports of that country in the markets of the world. Even the British colonies would not venture to discriminate against the United States in our favor.

All that we have a right to expect from the customers of our products is that we shall be admitted into their markets on the same terms as the most favored nations. We have a recognized authority to impose whatever duties we please, and the parent state seeks no preference in our markets. Where foreigners, like the French, discriminate against us, our only redress is the power to retaliate, but it would be a suicidal policy for a young and thinly-populated country like Canada to adopt discriminating duties, which would assuredly lead to retaliation against us. It ought, likewise, to be borne in mind that our entire trade with the West Indies and Brazil is only about five per cent of our total trade, while that with Great Britain and the United States is over 90 per cent. It would be, under such circumstances, little short of insanity to attempt to divert trade out of its natural channels, and thereby to provoke the hostility of many countries which are now admitting our exports on most favorable terms, imposing mere revenue duties which fall on their own consumers.

"THEM SMOKE."

The work of adjusting Fire Losses is not always without a bright side; sometimes there is the payment of a genuine claim honestly prepared and clearly stated, and sometimes there is the reception of a claim so utterly ridiculous as to make fun for all concerned.

After a large fire in a small town everybody is concerned to know what everybody is to get from the insurance companies. Sometimes this curiosity arises from interest in a neighbor's welfare, sometimes from a desire to collect an