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THE SITUATION.

Following the tariff bill comes, from the Ways and Means Committee at Washington, a bill proposing reductions in the internal or excise revenue to the amount of \$25,000,000, of which no less than \$20,000,000 is on tobacco. This means that no reductions, beyond those indicated in the tariff bill, will be permitted on manufactures. The consumers of tobacco do not deserve any special consideration, and there is no good reason why they should be relieved to the extent of twenty millions per annum. Hitherto it has been the custom to bracket tobacco and whiskey together, for purposes of taxation; now they part company, for the reason, no doubt, that many would sanction a reduction of the duty on tobacco, who would object to placing much greater facilities in the way of whiskey drinkers. When the reduction of the whiskey and tobacco duties has been proposed, the object has been to decrease a superabundant revenue without reducing the protective tariff. Indeed, the maintenance of the war tariff in time of peace, when the surplus revenue was a serious embarrassment, has been due to the strength of the protected interest.

Again the time for opening the Panama canal is postponed. A vague promise is now held out that the locks may be in a condition to pass vessels in 1890, though the hope is not encouraged that the canal will be finished. In a gigantic work of this kind, there were sure to be unexpected delays and obstacles of all kinds. M. De Lesseps complains that the enemies of the canal have increased the cost by making harder the terms on which money could be raised. There are still to be found critics who believe that the canal will never be completed; but M. De Lesseps is just as confident that, in the end, his labor will be crowned with success. This canal is, we presume, the most stupendous work of the kind ever undertaken by man. Once more the United States Congress is patronizing a rival project; but whether the Nicaraguan canal will ever be seriously undertaken is not yet made certain.

The alarming increase of Trusts and Combinations in the United States is at-

tracting serious attention at the State capital of New York. The General Laws Committee has investigated and reported on the subject. The Standard Oil Trust was the parent of all the others. It now wields a capital of \$148,000,000, which has grown largely out of water and profit. In the last six years this concern has distributed \$50,000,000 in dividends. All similar trusts are formed by clubbing together the stock of a particular industry, and issuing certificates for a far greater amount than the value of the shares respectively put in. Profit is made abnormally high by fixing, at a low figure, the raw material dealt in, and putting a high price on the finished product; in this way squeezing the producer, at one end, and the consumer at the other. Such combinations are plainly inimical to the public weal; and the first duty of the legislature, in such cases, is to teach the directors of the Trusts and Combinations that they will not be permitted to use the capital at their disposal in such a way as to injure the general public. Unless a legislative remedy comes in time, the anger of an outraged people may be expected to bring a rougher cure. We trust that the enquiry begun at Ottawa on the same subject will be thorough and complete.

Halton is the first county that has decided to repeal the Scott Act, after a trial of it for several years. The advocates of the Act made a great effort to maintain it, enlisting in its favor many ministers of the gospel, and bringing in eloquent advocates from a distance. The "Antis" held no public meetings, but depended on a house-to-house canvass. This makes the result all the more interesting. In the towns the measure was largely a failure; but from the country, where it had been fairly well enforced, comes its defeat. It is quite possible that the advocates of the measure were sometimes unwisely despotic in their ways of procedure. More than once a wave of prohibition has passed over a large portion of the neighboring republic and been followed by reaction. It may be that the Scott Act wave, in Ontario, has been at its height, and that Halton is the first sign of its recession; or what has taken place in Halton may be due solely to local causes, which may not be felt elsewhere. At present it would be difficult to say which.

A member of the Labor Commission has been charged with libel for remarks made by him on the moral condition of a manufacturing concern in the Province of Quebec. The question must arise whether criticisms of this kind are privileged. If not borne out by the evidence, adverse criticism by a member of the commission would be libellous; but something would depend upon the time at which the remarks were made. If made in the report, a criticism of this nature would surely be held to be privileged. But this was not the case; no report had been made. Premature remarks are sometimes made, even by judges, which charity can scarcely excuse, yet no one dreams of treating them as libellous. If members of Royal Com-

missions are to be held amenable to the law of libel for their remarks on what comes before them, these positions will cease to be an object of ardent desire.

Another promoter of Commercial Union has appeared in Congress, at Washington, in the person of Representative Hitt, of Illinois. A joint resolution, introduced by him, has gone to the Committee on Foreign Affairs. According to this resolution, Canada is required to show that she desires Commercial Union, and then commissioners may be appointed to prepare a plan for the assimilation of the import and internal revenue tariffs, and for an equitable division of the receipts from these sources. The report of such commissioners would then require to be sent to Congress, to be dealt with as that body might see fit. Anything Congress may do at present is not likely to go beyond an invitation to Canada to respond by declaring its desire for Commercial Union. There is not the least prospect of Canada doing anything of the kind. Commercial Union will find little favor in the Canadian Parliament; and in our opinion, it is equally certain of being rejected at the polls, should it ever become a practical question, at a general election.

The papers laid before Parliament, at Ottawa, in connection with the negotiation of the Fishery Treaty, contain a protocol which shows the efforts made by Sir Charles Tupper to secure "greater freedom of commercial intercourse between the United States and Canada and Newfoundland." In return, he proposed that the fishermen of the United States should have all the privileges which they enjoyed in our waters under the Treaty of Washington. To what extent commercial freedom should go, Sir Charles did not say; his proposal was unlimited, the time for a definite statement not having come. The American commissioners refused to ask the President for authority to consider any measure of commercial freedom, on the ground that it would necessitate a readjustment of the American tariff which, under the circumstances, would be impossible. Sir Charles Tupper's proposal cannot be assumed to have been intended to go as far as is understood by Commercial Union; but if it had, the answer must, from the ground on which it is based, have been the same, or Canada must have been prepared to swallow the American tariff without alteration.

An attempt is at last being made, in the Canadian Parliament, to authorize reciprocity in saving life and property on wrecked vessels in Canadian and American waters. For this purpose Mr. Kirkpatrick has introduced an enabling bill. There is already on the American statute book an invitation to the kind of reciprocity to which Mr. Kirkpatrick's bill points. Where human life is at stake, there is something more and of higher interest than mere commercial considerations to be taken into account. Should this bill pass, a scandal and a reproach to civilization will have been removed.