

We believe that the more the proposal for a Tariff Board is examined, the more convinced the public, manufacturers as well as others, will be that the appointment of such a body, for the purposes suggested, would not be in harmony with the principles of our institutions, in relation to the taxation of the people.

The Coming Loan

IT is semi-officially announced that the next Victory Loan, which will probably have to be issued during autumn, will call for five hundred million dollars. At all events that sum will be required by the Government, and though possibly permission may be obtained to place a part of it in the United States, there is no doubt that on our own people will fall the chief responsibility of providing the money. The raising of such vast sums is a very serious business, which may well give anxiety to the Minister of Finance. It seems to be taken for granted, in financial circles, that the bonds will be made free of Dominion taxation.

The loan will certainly need to be made attractive to the public. Freedom from taxation is a strong lure. The temptation to use it is natural enough. If we are to think only of the convenience of the present we will take the easiest way. But that which helps to make the way easy now may store up much trouble for the future. In any case our wealthy men may be expected to invest largely in the bonds. It is most desirable that they should do so. After the war, in the treatment of the many problems that will arise, the exemption of so much wealth from taxation will easily become a cause of embarrassment. The income tax, already quite large, is likely to increase. If a man who is known to be rich pays but a small income tax, owing to the fact that much of his wealth is exempt, while his neighbor of moderate means has to bear a tax which presses heavily on him, discontent will inevitably arise. There will be a sense of unfairness, of injustice, that will not be removed by the explanation that the Government bonds are exempt from taxation. Why should they be exempt? will be a question often asked. There is, we fear, a growing tendency in the public mind to think less than formerly of vested rights, to have less respect for the sacredness of contracts. A movement to ignore the exemption and impose the tax is not beyond the bounds of possibility.

It will be a wiser policy, we believe, to make the bonds attractive in other ways, rather than to grant an exemption that may serve a present purpose at the cost of future trouble.

Farmer and Manufacturer

A pleasing incident of the meeting of the Canadian Manufacturers' Association last week was the invitation extended to and accepted by Mr. Roderick Mackenzie, Secretary of the Canadian Council of Agriculture, to be one of the speakers. Mr. Mackenzie's ideas respecting the tariff are widely different from those expressed by the retiring President of the Association. Nevertheless, it was a good thing to have the representatives of both sides of the question present. More frequent meetings of the two interests, while they might not lead to complete agreement, would certainly tend to soften the asperities which occasionally occur in the tariff de-

bates, and keep both sides within the bounds of fair and reasonable discussion.

It cannot be doubted that the frequent assertion of high tariff views by the Manufacturers' Association or by their chief spokesmen has been regarded as a challenge to Western farmers and has been one of the means of building up large organizations to resist the manufacturers' claim. On both sides of this important question there are thus powerful organizations, each capable of making a strong fight. If the two sides are to remain in their present attitude, each resolved to do its utmost to break down the influence of the other, we shall have a condition of perpetual conflict which will not make for political or social peace, or for anything like the tariff stability that is so desirable for the development of industry and commerce. There are extremists on both sides of the question. There are also, it is to be hoped, on both sides moderate men who are willing to observe the rule of "live and let live." In the prospect that, when the tariff question again presses for action, these men will be able to reach a good understanding lies the only hope of the adoption by Canada of a fiscal policy that will command the confidence of the whole country.

America's Altruism

THERE are individuals of such a suspicious nature that they can hardly conceive that any action of their neighbors arises from unselfish motives. And there are nations which, in like manner, are ready to suspect the intentions of other nations. Japan is just now under a suspicion among some other nations that, in her operations in the East, she may be aiming at some illegitimate object. Japan has been playing a gallant part in the war, taking care of the Allies' interests in the Far East. She has the means, and apparently the will, of checking the German domination in Eastern Russia. But there is a widespread fear that, in taking any action in that region, Japan would be playing for her own interest.

The world will probably have to overcome this disposition to suspect Japan. The Japanese have become an important people in recent years. Though not a country of very large population, Japan by sheer force of the ability and enterprise of her people has become the dominant power in the East, and her influence seems on the whole to have been exercised for good. The Japanese make treaties with the Western nations—and keep them. In no case can Japan be justly charged with failing to fulfil her national obligations. A nation with that record has a right to ask for respect and confidence.

The United States has had the misfortune to create in Mexico and in some of the South American Republics the impression that she desires to dominate all America. The suspicion of the Mexicans towards their big neighbor was long very evident to every traveller who entered Mexico. The troubles of the past few years, in the course of which American troops crossed the Mexican border, in pursuit of the Mexican bandits who had attacked American villages, seem to have increased the dislike of the United States by the Mexicans. President Wilson has just availed himself of the opportunity, coming through the visit of a party of Mexican editors, to explain the attitude of the United States Government, and to offer renewed assurances that the Government have no desire to interfere in Mexico's affairs, and no

thought of anything concerning Mexico, except to see her grow in order and prosperity.

An interesting expression of President Wilson's thoughts concerning international affairs comes to the public in a roundabout way. Dr. J. H. Jowett, an eminent English preacher, who came out to New York a few years ago, has just returned to England to take up the position of minister in charge of Westminster Chapel in London. In his first address to his new congregation, in referring to his service on both sides of the ocean, he said he felt at liberty to quote a passage from a personal letter addressed to him by President Wilson. "While I am deeply sorry," wrote Mr. Wilson, "for your leaving America, I am glad you are taking away an intimate knowledge of our people, which will enable you to interpret them to those who have not always understood them on the other side of the water. One of the most difficult things I have attempted is to convince foreign ministers and foreign peoples that the purposes and ideals of the people of the United States are unselfish and altruistic. I am sure you are convinced of that fact as I am, and my great pleasure in expressing such purposes has been derived from the confidence that I was really and truly speaking for my people."

It is but a little while since many Canadians, from whom greater wisdom might have been expected, labored to persuade the people of the Dominion that in expressing a willingness to have better trade relations with Canada, the American Government had designs on the loyalty of the Dominion.

Viscount Bryce on Ireland

What a pity Lord Bryce—better known as James Bryce—is not twenty years younger! At the age of 80 he is one of the sanest, ablest and wisest of British statesmen. If he were a younger man he could be asked to take a more prominent and more active part in the settlement of the Irish problem that is perplexing the statesmen of the Mother Country. And there is no man in the whole Empire who could in a larger degree command the respect and confidence of all parties. The happier relations which have been developed between Great Britain and the United States are in no inconsiderable degree the fruit of the good service rendered by James Bryce as British Ambassador at Washington.

Lord Bryce's appeal, a day or two ago, to the Irish people to use the present opportunity to bring about unity between them and the people of England should have a powerful effect on the minds of all Irishmen who have retained their sanity. They cannot doubt Lord Bryce's loyalty to their cause. He has proved it on many occasions. He tells them now that it is unwise to dwell on their grievances of by-gone years. He points out that now not only the British Liberal party, but a large part of the Conservative party, are ready to cooperate with Irishmen in giving Ireland a generous measure of Home Rule. He asks the British Parliament to hasten this measure and at the same time he calls upon the people of Ireland to "make it plain to the world that the Irish people stand in line with Britain, America, Italy and France in their determination to save the world from the menace of German ruthlessness and tyranny." These are words of wisdom from one whose whole life has marked him as a wise and patriotic counsellor.