

Established 1866 Issued every Friday morning

THE
Monetary Times
TRADE REVIEW AND INSURANCE
CHRONICLE

Canadian and U.S. Subscribers, \$2 per year.
British Subscribers, 10s. 6d. sterling per year.
Single Copies, 10 cents.

PUBLISHED BY THE
Monetary Times Printing Co. of Canada
Limited
Book and Job Printers

ROBERT J. CHRISTIE, THOS. ROBERTSON, JAS. HEDLEY, EDGAR A. WILLS,
PRESIDENT VICE-PRES. EDITOR SEC.-TREAS.

DIRECTORS:
ROBT. J. CHRISTIE THOS. ROBERTSON JAS. HEDLEY
THOS. TODD EDGAR. A. WILLS

JAS. J. SALMOND, ADVERTISING REPRESENTATIVE

Telephones :
Business & Editorial Office Main 1392
Printing Dept. Main 1485

Office: 62 Church Street
Corner Court Street
TORONTO, . . . Ont.

TORONTO, FRIDAY JANUARY 29, 1904.

CONTENTS.

	Page.
Reciprocity with the States.....	987
Financial Review	987
Mortgage Lending on Farms	989
The Woolen Trade	989
Prospects in the Fur Trade	989
School of Railway Engineering	990
Cold Days for Business.....	990
Unreadiness in Case of Fire	985
Our Halifax Letter	991
The New C.P.R. Offices in London	991
Ontario Agricultural Conditions	992
Loan and Trust Companies	993
Insurance and Financial Notes	993
The Northern Navigation Company	1,000

RECIPROCITY.

The agitation in favor of a reciprocity treaty between Canada and the United States is being kept up in the latter country. Not only commercial bodies in the American cities along the south side of the Great Lakes, but public associations in Boston and prominent newspapers in New York are harping, week by week, and month by month, on the resources of Canada, the growth of Canada, and what is more, the importance of Canada as a market for United States goods. "Hurry up," they seem to urge, "hurry up and get Canada committed to reciprocity with the Union before that dangerous man, Chamberlain, succeeds in reaching his goal of an Imperial reciprocity of tariffs, for that is precisely the thing we Americans do not wish to happen."

A report was submitted the other day by a special committee of the Detroit Chamber of Commerce bearing upon the subject of reciprocity with Canada, which that body has long been advocating. After dwelling upon the points of interest between the countries and giving some eloquent praise to Canada, the report declared that the ultimate and ideal relation

between the United States and the Dominion is one of absolute free trade between the two countries, with identical tariffs against all others. But seeing that this ideal, which is essentially an "American" one, cannot be reached, what then? The Detroit Chamber thinks the rate at which United States capital has been pouring into Canada these last five years both significant and hopeful of a reciprocal awakening. It says:

The movement of capital from the United States to Canada has served to pave the way for more intimate trade relations. Many millions of dollars of American capital have within the last five years gone into Canadian mines, forests, oil fields, manufactories, electric and steam railways, hotels, and other enterprises. This is in striking contrast to the indifference of British investors; and it is a matter of unpleasant comment in Canada that if an Englishman sees equal chances of investment there and in the States he will generally go to the States. He does not appreciate the opportunities which his own colonies offer.

Precisely. The Englishman does not appreciate the opportunities which Canada offers, but the better informed United States business man does. The average Englishman in his aloofness looks upon Canada as a huge and mostly frozen barbarous territory, with the merest fringe of settlement conducted by "colonists," (who are curious and inferior persons), while the dwellers in the Northern United States know Canada to be a country marvellously gifted by Nature and with a population equal in intelligence, ability and resolve to their own or any other people under the sun. This is why so many of her neighbors to the south desire reciprocity with her—this is why Canadians so often get hints that we should be a part of that great country. We find in the Montreal Gazette some sentences, taken from an article on this proposal of reciprocity, which very well express a widely held view among Canadians. We append them: "The average Canadian, when he reviews this situation of affairs, knows what is required—a readjustment of the tariff so that the United States manufacturer will not only find it profitable but imperative, if he would retain his Canadian trade, to produce for the Canadian market in Canada. We want capital and we want men. The British investor prefers the United States. He will prefer that country until he discovers that United States capital is finding a profitable source of employment in Canada. Then, and not until then, will we secure our share of the capital Great Britain has to invest. Herein lies one more reason for a revision of the Canadian tariff on lines that will give adequate protection to Canadian industries. That is what we want—not reciprocity."

FINANCIAL REVIEW.

The Government Statement for December 31st now to hand enables a comparison to be made for the whole year, and an estimate of the real financial position of the country, as compared with former years. We have referred again and again to the large expansion in every department of business and finance that distinguished the year 1903. It might by some be called a year of inflation, but that would be too strong a word. It has certainly been a year of expansion, of large profits, and almost unexampled pros-