

THE BONDING SYSTEM.

The Canadian Pacific Railway has incurred the enmity of some of the United States railway companies, and as a result some of the newspapers published there, notably the *New York Sun*, are waging war against it and advocating the repeal by the United States authorities of the bonding system between the two countries. This bonding system is one of the provisions of the Washington Treaty which still survives, and the agitation for its repeal brings up other questions which it might be well for the United States press to discuss. Whatever the object with which the Canadian Pacific Railway was constructed is a matter with which foreigners have little or nothing to do. As the *Montreal Shareholder* says, the repeal of the bonding privileges involves the interests of the two countries. The provisions of the Washington Treaty, as it was originally passed, have been cancelled in regard to several of the clauses and it would seem as though some of the Anglo-hating agitators on the other side of the international line would never be satisfied until all of its provisions were equally dealt with. Canada has shown herself vastly superior to her big neighbor, who, at times, exhibits a devouring tendency and an abnormal anxiety to do away with the boundary line between the two countries. Every opportunity is seized to berate and injure our institutions, while Canada is dignified and strictly adheres to the contracts into which she enters. These outbursts of the American papers are not becoming, and not calculated to accomplish their object. We are not desirous of union with people who do not realize the advantages we enjoy, and we are not prepared to change them for others of less value. The repeal of the bonding privileges involves other repeals. A consideration was given for the privilege, and that consideration the United States will not return in order to gratify the faction that advocates it. The Washington Treaty was not altogether a one-sided one, but the United States gained more from it than did Canada.

THE U. S. BUSINESS SITUATION.

Of the general business situation in the United States, the *Cincinnati Price Current* says that there is anything but a satisfactory condition. It is true that in some branches stocks have been so far reduced that it has been necessary to replenish them by starting means of production into more activity, but the demand is quickly supplied, and does not increase as expected, so that it is doubtful whether there is much increase in the number of men employed in industrial enterprises, taking the country as a whole, than there was two or three months ago.

The U. S. railroads are feeling the depression in trade more than ever; this is shown not only by the decrease in the gross earnings in January, but by the actual or contemplated reduction in wages of all classes of employees, which reduction averages about 10 per cent. This in turn reduces the ability of a large number of consumers to buy general merchandise

to the usual extent, and so the tendency seems still to be towards a reduction in the volume of trade, and there is no general recuperation in business such as has been hopefully expected. Bank clearings do not always promptly reflect the changes in current trade, for they are more or less influenced by previous transactions and by monetary operations, but there should be some indication of any important variations; in January, they were nearly as small as in December. But while there cannot be much encouragement drawn from the general situation, there is undoubtedly a steady increase in the distribution of goods in some branches of trade, and it appears that nearly every industry is a partaker to a more or less extent in this improvement. There is more doing in some branches of the iron trade, some articles of hardware being taken more freely by distributors; in dry goods, there is a better demand for seasonable cotton and woollen fabrics, and the recent auction sale of silk goods in New York indicates a more confident feeling, with better prices prevailing than could have been obtained a month or two ago. There is a better undertone in most manufacturing industries, for prices of raw material are so low that there is little fear of much further decline, so that there is more encouragement to produce to the extent of the probable requirements of the spring trade, which, however, it is believed, will be much less than it was last year, although it is reasonable to suppose it will be larger than last fall, when there was such a surplus of goods to be worked off that there was little chance for new goods to be distributed. The recent depression in the market for wheat has had a depressing effect upon trade in general. Until the decline in prices is stopped and there appears to be some good ground for recuperation, much enlargement in the volume of business or any disposition to purchase in anticipation of current necessities cannot be reasonably looked for.

SAN FRANCISCO COAL TRADE.

J. W. Harrison, coal and metal broker, San Francisco, reports Feb. 24, as follows: "During the week there have been the following arrivals: From foreign ports 6,772 tons; from the Northern collieries, 20,122 tons. Business with the jobbers and retailers remains brisk, as the continuous cold weather aids to consume fuel very fast. The importers complain bitterly of the lack of orders for future loading, as seductive quotations are named, yet they do not lead to business. The Australian list looms up larger again this week, and offerings are on the market at prices which must leave the importers a very shady profit, if any at all can be figured upon. Two of our wholesale dealers have retired from the coal trade this year, evidencing that the competition is so sharp that the business is not profitable; as a matter of fact, there is no line of trade where so much capital is employed where the profits are smaller. We are all on the anxious seat, awaiting the senatorial report concerning the tariff clause on bituminous coal; the writer feels assured it will be placed where it should have always been, on the free list."

THE UNEMPLOYED IN THE UNITED STATES.

The enormous number of men without work in the States, suggests reflection upon a topic upon which a flood of eloquence was let loose some time ago in denouncing a fiscal policy charged with having sent thousands of Canadians to that country. Supposing a large proportion of those immigrants had remained in Canada, says the *Trade Review*, is it not certain that our streets would have presented similar spectacles to those seen daily in Chicago, New York and other American cities? Is it not the case that the so-called "exodus" has saved us from such scenes?

By stimulating their manufactures to such a degree as to create a market for labor which has drawn away thousands of our people they have left us with a mere sufficiency, so that while the depression in the States has thrown, it is estimated, close upon a million workers out of employment, there has been no such lack of work here as to excite remark. Is it not then an advantage to Canada to have an outlet for its spare population who find the home field not attractive enough? It is quite true this country could do well with more millions of people. But where? Is not the need rather for more cultivators of the soil and not for skilled artisans, such as have flocked to the States? The tendency however, of modern life is to drain the country to flood cities.

If all who have left us to find work, and at length destitution, in the States had gone on to the lands of the Northwest the vast bulk of them would have made a comfortable living. But as there are no means of compelling men to follow the plough, what sense is there in lamentations over their choice of another mode of life, or of fretting over their seeking to follow their bent where they choose? Had the bulk of those who went to the States remained here they would not have added one cent to the productive resources of the country, they would merely have crowded the labor market, and been a surplus which would have been a source of grave trouble in time of depression.

The British Board of Trade returns for the month of January show that the imports increased £4,330,000, as compared with those of the corresponding month last year, and that the exports increased £13,000 compared with those of January, 1893.

Advices from Germany state that the manufacturers of rubber toys in that country have formed a combine and advanced the price of all goods 20 per cent. This means an increased cost on the large importations of German rubber balls which come into Canada. The Germans have until recently been the only manufacturers of these goods, but this year a new competitor has been offering goods to the Montreal houses in the shape of an Italian firm, who are said to be offering a nice assortment of goods at rates which ruled last year. As a result they have been taking quite a lot of trade away from the German goods.