

The Journal of Commerce

MONTREAL, CANADA

VOL. XLVIII, No. 28.

GARDENVALE, P. Que., Tuesday, July 13, 1920.

Price 10 CENTS

The Journal of Commerce

Devoted to

CANADIAN INDUSTRY, COMMERCE
AND FINANCE

Published every Tuesday morning by the
Journal of Commerce Publishing
Company, Limited.

Editorial and Advertising Offices, Room 205
Drummond Building, St. Catherine and Peel
Streets, Montreal. Telephone: Uptown 7773.
Toronto Office: 1402 C.P.R. Bldg., Toronto. Tele-
phone: Adelaide 3310.

Vancouver Office: 528 Winch Building, Van-
couver.

Printed at the Garden City Press, Ste. Anne de
Bellevue, Que. Telephone: 165 St. Anne's.

HON. W. S. FIELDING,
President and Editor-in-Chief.

B. K. SANDWELL,
Managing Editor.

Subscription price, \$3.00 a year
Advertising rates on application.

PRINCIPAL CONTENTS

Editorials:

A French Treaty Difficulty	3
What is Dumping?	3
The Battle in Ohio	4
Extending the Preference	4
The Vice-President	4

Special Articles:

The Elections in Winnipeg	
By J. W. MacMillan	5
The Replanning of Montreal	
By James Ewing, M.E.I.C.	6
Canadian Post-War Exports	
By Our Ottawa Correspondent	8
The Bi-centenary of an Insurance Boom	12
The Freight Rate Question	
By B. K. Sandwell	15

Miscellaneous:

Lower Prices of Commodities	9
Retail Sales of Last Month	10
Bankers Who Can Talk Well	11
Review of Newest Books	
By H. S. Ross	13
Is Poplar Replacing Spruce	14
Higher Silver Prices Coming	16

A French Treaty Difficulty

THE commercial treaty between France and Canada which was in operation for a number of years has come to an end. In the first stage of the proceedings to terminate the treaty, action was taken by the French Government. At a later stage it was the action of the Canadian Government that cut the treaty link between the two countries.

The action of the French Government was not taken against the Canadian treaty particularly. The French authorities desired to have an opportunity at a convenient moment to revise their whole commercial policy towards other countries. In order that they might be free to do so, they gave notice to terminate all their commercial treaties, that with Canada included. The French were willing, however, to continue some treaties as a temporary arrangement until they might be prepared to enter upon negotiations for new treaties. In this way it was agreed that the Franco-Canadian treaty should remain in force on the condition that it could be abrogated by either party on three months' notice. The Canadian Government agreed to this temporary arrangement, and had it confirmed by legislation last year. Several months ago the Canadian Government gave notice, under the three months' clause, to terminate the arrangement. Thus the treaty has been brought to an end by the Canadian Government.

In reply to questions recently asked in Parliament the Canadian Government stated that they were ready to open negotiations with the French authorities with a view to the making of a new treaty. In such negotiations, which may be expected to begin shortly, there is likely to be more difficulty than was experienced in former times in reaching a satisfactory conclusion.

In planning for a commercial agreement each country naturally seeks to obtain favorable terms for the admission of its chief products to the markets of the other. One of France's chief products is wine. The concession that Canada was able to offer in the duties on light wines was of material value in the negotiation of the former treaty. It was in harmony, too, with

the moderate temperance sentiment of the country, since it preferred the light beverages to the stronger spirits. The growth of the prohibition movement has brought about a new and embarrassing condition in relation to trade with France. Excepting the modifications under the law of the Province of Quebec, all Canada is today prohibition territory. Canada therefore can offer no large market to French wines. And if we can no longer offer to take the wines of France, what inducement can we present as a substitute that is likely to be favorably regarded by France's representatives in the negotiation of a new treaty?

There is another article, too, in which France will desire more concessions than can readily be granted. Silks are among the chief products of France. Low or at all events very moderate duties on silks will be regarded by the French statesmen as an essential feature of a new commercial treaty. Silks, however, are unquestionably luxuries, and the demands of our financial situation have obliged the Canadian Government to impose taxes on such things to a degree that must certainly discourage their use.

If we do not want French wines or French silks, what have we to offer France? The Canadian negotiators of the proposed new treaty with France will not have an easy task.

What is Dumping?

THE fear is expressed that in the disturbed state of business in the United States some manufacturers will find it necessary to force sales of their products and that large quantities will be "dumped" into Canada. It is alleged that the beginning of this situation has appeared and appeals are made to the Ottawa Government to be prepared to enforce the provisions of the anti-dumping law. There is often much misunderstanding concerning the meaning of "dumping." Manufacturers in Canada, who hear that a competitor in the States is selling goods at prices below the cost of production here, claim that this is dumping, and that therefore the additional duty authorized by our law should be imposed. But the selling of goods to Canadians at re-