

be dispensed with, and if the agreement be in writing in any form, such as the minutes of a conference between the representatives of two governments, there will, in effect, be the substance of a treaty. The only advantage of the change proposed will be that, once every five years, France will be in a position to renew her commercial relations with other countries. Whatever form future international agreements with France may take, Canada will have an opportunity of being heard.

THE U. S. SENATE COMMITTEE OF CANADIAN RELATIONS.

A preliminary report of the United States Senate Committee on Relations with Canada has been presented to the Senate by Mr. Hoar. The evidence only is reported; the committee will state its own conclusions later on, when some additional evidence has been taken at some points on the Canadian frontier. The evidence makes from 1,200 to 1,500 printed pages. The evidence is both military and commercial.

General W. A. Miles, in command of the Pacific coast, showed the vulnerability of both British Columbia and the American Pacific coast. While he was of opinion that the United States could occupy the railways of British Columbia in ten days, he thought that the British fleet could, in the same length of time, destroy every town in Puget Sound, as well as the railway system there, and occupy the inlets of the north-western country. From this fleet ships could be sent up the Columbia River and destroy the city of Portland, as well as the connecting railway system. In Puget Sound there is not a gun, a soldier or an earthwork, though there are some out of date guns at Fort Canby, Columbia River. While such is the state of American defences north of San Francisco, there is not, south of that city, a gun in position, a round of ammunition or an artillery soldier, San Diego, Santa Barbara, and San Pedro being entirely without defence. This state of things, on both sides, shows in the strongest way the belief of the governments of the United States and Great Britain in the continuance of peace. If difficulty had been anticipated, the coast would not have been left wholly without defence.

Among the commercial questions dealt with by the witnesses, was the effect of the Canadian Pacific on the American railway system, the fishery disputes east and west, commercial union, limited reciprocity, and incidentally, annexation. It is certainly anomalous, and contrary to international usage, that on the latter question a committee of the Senate should accept evidence, though casually offered. If we are to accept the evidence of one fisherman, presumably from the Alaska coast, that the seals devour 40,000,000 pounds of fish food per day, the seal question must one day settle itself by the destruction of that animal. When the fish devoured by the seals are required to be utilized for the food of man, the doom of the seal will be pronounced, and the anxiety to secure its extinction will be at least as great as the desire to preserve it has ever been. The estimate of the fisherman may be at fault,

though the elements of a true estimate can scarcely be wanting. Given the number of seals and the quantity of food fish devoured daily by each, on an average, the result can be reached with considerable certainty. If it can be demonstrated that the fish which the seals eat are of more value than the product, true economy would say the seal must go. It is a question of proportion, and when we find for certain on which side the greater value lies, the seal question may settle itself; certainly it would do so if the greater value was in the fish. But before this result was reached, relative values might be readjusted by a rise in the price of the seal fur. Large as are the figures paid for this luxury, there are doubtless wealthy people who would be prepared to pay more for it than is necessary at present, rather than be deprived of it. But this limit would soon be reached. And on the other hand, the caprice of fashion, seldom wilder than in dealing with furs, may lead to the discarding of the South Sea seal. There was a time when a robe of black squirrel furs was the delight of the aristocratic women of Paris. The mink, which at another time reigned supreme, fell into neglect, while the black squirrel fur was totally abandoned so long since that it will be news to most of the present generation that it was ever esteemed as a fur.

The list of questions in which the United States and Canada are jointly interested is long, but still not so numerous as when Richard Rush was negotiating in London on behalf of the Republic. Territorial disputes arising over boundaries, the most difficult of all, have all been got rid of; of this nature there remains nothing but the location of the Alaska boundary, the position of which can scarcely admit of two opinions. The questions which remain, though important, are scarcely equal to those arising out of rival territorial claims. What Mr. Hoar's committee may report, besides the evidence taken, cannot of course be foreseen. He is in favor of Commercial Union, and may possibly make some proposal of that kind.

THE MCKINLEY BILL AND THE HITT RESOLUTION.

If, as some predict, the McKinley tariff bill, when passed, should be followed, in the same session, with the adoption of the Hitt resolution, the Congress of the United States will distinctly hold out to Canada the choice of two policies. The exercise of that choice would rest with the electorate at the next general election. There is no probability that the present Canadian Government would, in any case, favor the acceptance of the Hitt resolution. There are a great many people in Canada who, while they desire Free Trade with the United States, don't want it in the form of a general discrimination against all other countries.

The Hitt resolution requires, as a condition precedent to negotiation, that Canada should first declare its readiness to admit free the entire list of products and manufactures of the United States. Towards

all the rest of the world her attitude would become one which made trade more difficult than at present. As against them, we should certainly have to adopt a higher tariff than that which now exists. In two ways the course of our trade would be altered. Free Trade with the United States would greatly increase our transactions with that country; while the adoption of a higher tariff against other countries would decrease our dealings with them. We should, as regarded these countries, suffer all the evils which a war tariff inflicts upon the Republic. And these are by no means small.

The benefit of Free Trade with the States, which would be great, would be nearly, or quite, balanced by the additional restriction placed on our trade with other countries. We cannot afford to try the experiment of crippling our freedom of action, in this way, with all the rest of the world. The measure of Free Trade, which the Hitt resolution, if accepted by Canada, would secure to us, though large, would be too small to justify the abandonment of our freedom of action in all other directions, for trade with Great Britain is now about as great as that with the United States, and for a large portion of the produce of the forest and the farm we should still have to look to that market as one in which to sell.

BANKING REVIEW.

The figures of the Canadian bank statement for June last will be found in condensed form below, and are compared with those of the previous month. The statement bears date Ottawa, 18th July.

CANADIAN BANK STATEMENT.

	June, 1890.	May, 1890.
LIABILITIES.		
Capital authorized..	\$76,008,665	\$76,008,665
Capital paid up....	59,569,764	59,567,749
Reserve Funds	21,094,034	21,034,034
Notes in circulation	32,059,117	30,831,914
Dominion and Provincial Government deposits....	7,405,752	6,682,916
Deposits held to secure Government contracts & for insurance companies	150,306	206,781
Public deposits on demand.....	53,273,531	51,440,101
Public deposits after notice.....	75,357,924	74,629,147
Bank loans or deposits from other banks secured...	272,775	292,748
Bank loans or deposits from other banks unsecured.	1,973,508	1,461,357
Due other banks in Canada	825,384	741,275
Due other banks in foreign countries	367,606	316,558
Due other banks in Great Britain...	2,559,849	2,441,440
Other liabilities....	255,604	640,669
Total liabilities..	\$174,501,421	\$169,684,912
ASSETS.		
Specie	\$ 6,128,070	\$ 6,145,182
Dominion notes....	9,795,380	9,845,830
Notes and cheques of other banks..	7,567,498	5,813,744
Due from other banks in Canada.	3,266,981	2,784,471
Due from other banks in foreign countries	11,459,943	10,367,628