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THE SITUATION.

In the economic section of the platform of the U.S. Republican party, the only thing that deserves support is opposition to Trusts for the arbitrary control of trade. The Republicans are evidently prepared to sanction a higher flight of protection than Congress has yet ventured upon; for they announce their readiness to sanction "such a revision of the tariff as will tend to check imports of such articles as are produced by our people." The tax on tobacco they pronounce against, as well as that on methylated alcohol. If, after these two taxes were thrown overboard, there was still a surplus revenue—as there would be unless a policy of gross extravagance were inaugurated—the Republicans "favor the entire repeal of the internal taxes, rather than the surrender of any part of the protective system." As a matter of course they denounce the Morrison tariff bill, and they make a special objection to the proposal to abolish the duty on wool. The manufacturer, whom they profess a desire to protect, must not be allowed to get his raw materials untaxed. But for reciprocity treaties they rather affect a liking; though as this is done to censure the Administration for having withdrawn from the Senate all pending treaties of this nature effected by the previous Administration, the political character of the objection is apparent. Still, a Republican Administration, bound by this platform, could not well object to a limited reciprocity of tariffs with Central and South America. The truth is the treaties which the present Administration is said to have withdrawn never had the remotest chance of ratification. While the development of trade with South America and the islands in the farther Pacific ocean is spoken of as a desirable thing, not a favorable word is said about trade with Canada, which is more extensive and more valuable than that of all the countries with which the late Administration proposed to make treaties.

On the fishery question, the Republican platform is in effect unfriendly to Canada. The policy of the Administration in negotiating the fishery treaty is denounced

as "weak and unpatriotic," a "pusillanimous surrender of the privileges to which our fishing vessels are entitled in Canadian ports, under the treaty of 1818, the reciprocal legislation of 1880, and the comity of nations." For these statements there is not the slightest ground of support; and the friends of the Administration will have an easy task in answering them. Still, the misrepresentation will not be without its influence, and it may catch some votes. It would be a real calamity to the United States, not less than to this country, if a Republican President, committed to a hostile attitude on the fishery question, should be installed at Washington. The Republican platform appeals to all the ignoble elements in the Republic; it does not contain a generous sentiment conceived in a spirit of sincerity and justice, and it will be an ill omen should its framers succeed in making themselves masters of the presidential policy.

That part of the new Canadian loan which is disposable for the payment of savings bank deposits—nine millions—goes temporarily to the New York branches of Canadian banks on deposit. The Bank of Montreal was asked but hesitated to give two per cent. for it. It will of course be liable to sudden withdrawal. No time should be lost in lowering the rate of deposit which the Government pays; for not till this is done will it be possible to say what will be the effect on depositors—how many will draw out their money rather than take the reduced rate. We suspect there will be very few. The banks cannot well overbid a three per cent. rate, and it is needless to say that, with small depositors whose object is to let their money lie at interest, they will not get the preference. If the nine millions be but little reduced by voluntary withdrawals, it will become necessary, after it has been made certain that this demand need no longer be counted upon, to make repayment of deposits to the extent of the funds disposable for this purpose. How this will be done is a matter of administrative detail. A proportionate reduction of all deposits might be made, or the larger amounts might be reduced to a greater extent than the smaller. However it may be done, the effect of the transfer will be to add to the amount of floating capital applicable to industrial and commercial purposes.

Emperor William II., by his speech to the Reichstag, has removed any uneasiness which his proclamations to the army and navy occasioned. His speech is full of frankness, firmness, and wisdom, and it is impressive from the tone of sincerity by which it is marked. He is in favor of peace, unless war be forced upon him or his allies; he holds by the Austrian and the Italian alliance, and he is anxious, as his grandfather was, to continue the peace with Russia, which has lasted for a century; the thought of offensive war, he declares, is far from his heart. That the policy which he announces is the one best suited to the empire it is impossible to doubt. It is evident that the mind of Bismarck concurs with that of the new Emperor, and

there is no difficulty in believing that the policy of the old dead Kaiser will be continued. Really the situation has not been altered by the death of two emperors.

Toronto has been threatened once more, this time from a long distance, with a short supply of water. There was eighteen feet of water in the reservoir when the alarm was sounded, a drop from twenty-one feet having occurred. On Sunday the heavy rain cooled the atmosphere and slaked the thirst of the guilty lawns. In hot weather much more water is used for baths than at other times, as well as on lawns; the quantity of water squirted on the sidewalk by errant hose peeping out from cellars, and producing rheumatism in pedestrians, contributes its share of the extra consumption. The lawn sprinkler is sometimes abused, but if guilty, it may plead that it sins with a numerous company. The City Council has decreed that the use of a lawn sprinkler shall be confined to two hours in the twenty-four. This can doubtless be enforced in the case of new contracts; but do not existing contracts name a much longer time? How can these be got round? Reasonable people will use as little water as possible on lawns, or they will even cease to use any, in the face of coming danger; but if it came to a contest, the new restriction might be found difficult to enforce, from a legal standpoint.

The Parkdale Council has very properly come to the conclusion to cease applying to general purposes the premiums on the sale of local improvement debentures. As the owners of the property on which the local improvements are made have to provide means for the payment of the debentures, they are obviously entitled to the whole proceeds of the sale. It is difficult to see how the other view, on which the past practice of the Council has been based, came to prevail. However this may be, it is well that a mistaken practice has been corrected. As the Parkdale improvers are not likely to accept less than they are entitled to, the general fund of the municipality will be likely to have to make good the misapplied premiums.

It is not certain even yet that the Pope will sanction the payment to the Jesuits of the \$400,000 which the Quebec Government proposes to pay in compensation for the Jesuits' estates. And so, in the meantime, until the Pope sanctions the distribution of the money, the Government proposes to pay four per cent. on the amount to the Jesuits. If the Pope should order the payment of the money to Laval University, which is in dire distress for want of funds, the Jesuits would once more be balked in their scheme of setting up a university in Montreal. And they could not do that, even if they had the money, without the consent of the Pope. The Jesuits have no legal claim to the money, but what the Pope will do in the premises it is impossible to conjecture. The fall in the value of Quebec real estate has greatly diminished the resources of Laval.