

ESTABLISHED 1866

THE MONETARY TIMES, TRADE REVIEW

And Insurance Chronicle,

With which has been incorporated the INTERCOLONIAL JOURNAL OF COMMERCE, of Montreal (in 1869), the TRADE REVIEW, of the same city (in 1870), and the TORONTO JOURNAL OF COMMERCE.

Issued every Friday morning.

SUBSCRIPTION—POST PAID:

CANADIAN SUBSCRIBERS	\$2.00 Per Year.
BRITISH " "	10s. 6d. Sterling Per Year.
AMERICAN " "	\$2.00 United States Currency
SINGLE COPIES	10 Cents.

Book and Job Printing a Specialty.

PUBLISHED BY THE

MONETARY TIMES PRINTING COMPANY OF CANADA, Limited

EDW. TROUT, President.

ALFRED W. LAW, Sec'y-Treas.

Office: 62 Church St., cor. Court

TELEPHONE: { BUSINESS AND EDITORIAL OFFICES, 1892
PRINTING DEPARTMENT, 1485

TORONTO, FRIDAY, AUGUST 12, 1898.

THE SITUATION.

Lieutenant-Governor MacInnes of British Columbia appears to have caused some surprise to political partisans by intrusting to Mr. Beaven the task of forming a new Government. In the late election Mr. Beaven ran as an independent candidate in opposition to the Government. But though he was with the Opposition he was not, in a party sense, one of them. He had the misfortune to be defeated in the Victorian constituency; but as the new ministers must go before the electors the problem for him will be to find a constituency ready to accept his services in his new character of Premier. Outsiders, not under the influence of local political passion, can have no difficulty in understanding why Mr. Beaven was sent for rather than the leader of the Opposition. The elections left both the political parties without the numerical strength in the new House necessary to carry out their policy. Mr. Beaven, in the crisis of the elections, by taking his stand between the two parties put himself in the position to mediate between them, if that should become necessary, and he will now have an opportunity of trying what he can do in this particular. Mr. Semlin is the nominal leader of the Opposition. Mr. Martin is credited with aspiring to be the real leader. Of course either of them might have preferred to be called upon to form a Government, but if one of them agrees to join hands with Mr. Beaven in a composite Government he may find a way to prevail over the ambition of the other.

Spain accepts, in a general way, the terms of peace proposed by the United States, subject of course to agreement on details. It is easy to see that the question of responsibility for the debt of Cuba may cause a long discussion. To begin with, the United States will not assume the debt of Cuba, and there is no reason why she as the prospective suzerain should do so. The real question will be what part of the debt Cuba will be required to pay and what Spain; between them the debt must be borne. Spain and Cuba, as mother country and colony, had not come to any understanding on this point. Suggestions had been made that the responsibility ought to be divided, but nothing had been done to mark the line of division. The problem must now be dealt with in a practical way

Whether the Spanish Government can alienate these colonial possessions without the consent of the Cortes is a query which Spanish ministers feel must be answered. If necessary, as there is reason to believe it is, the Cortes must be convoked. Spain seems to realize her helplessness, and the danger of political upheaval, which was dreaded, has apparently passed; it is quite certain that it has become sensibly less.

The crucial point in the peace negotiations is the destiny of the Philippines. With regard to them everything is left open by the preliminaries of peace. All that is stipulated for is that they are to be disposed of by treaty. The United States requires Manila, and may stand out for the whole of the island on which the city is situated. What is to become of the remainder? Is Spain to retain these possessions? She is not in a position to do so, the rebels having made serious headway against her control. The United States has contracted a responsibility for the good government of the islands by arming the rebel forces, forces which, in the interest of civilization, she must direct and guide, and if they refuse direction and guidance she must control. That obligation she has contracted in the face of the world, and we have no doubt she will be ready to discharge it.

In Cuba, Garcia has entirely broken with the United States; his men have ceased to accept the American rations. While the United States and Spain make peace, the rebel forces under Garcia continue the war, on their own account. When the United States becomes the suzerain, prior to the inevitable annexation, what will Garcia do? If he goes on fighting he will force the United States practically into the position formerly occupied by Spain. In this new contest he could not hope for success, but he might give no end of trouble to the United States. The duty of the Suzerain will be to restore peace to the island, to hold the balance between contending factions, and above all things to prevent one section of the population wreaking its vengeance upon the other.

On the question of the right of constables to vote at the Ontario elections the Government withdraws its proposal that the Legislature should decide by a declaratory vote. If the Court of Appeals decide against the right of these persons to vote, and any member is shown to owe his election to that vote, the Legislature is to declare the seat vacant and at a new election the disputed right will be given to them. The effect of this will be to neutralize that vote, when it was a determining factor, so far as the claimant to the seat is concerned. It is a sort of compromise. The constables voted in good faith and must be indemnified for the act, as their legal right may or may not be judicially denied. The course to be followed in submitting the question to the court is that originally proposed by Mr. Hardy, and there is a general conviction that it is better than decision by a legislative declaration. One judge, when the question was discussed by the Court of Appeal, expressed the opinion that the decision now sought would not be binding on the elective judges; but this doubt will be removed by the Legislature giving effect to the decision of the court, whatever it may be, in advance. When the matter was before them the court refused to hear the case during the vacation; if the bill be passed at once they may be required to take it into consideration without loss of time. In refusing to hear the case during the holidays the judges were, we presume, within their rights. For refusing to hear a case when, in his opinion, the court was not properly constituted, two generations