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THE SITUATION.

Sir John Thompson, Minister of Justice, is said to hold to the view that the copyright arrangement between Great Britain and the United States does not bind Canada, and Americans applying for the registration of copyright in Canada are refused. The ground of the objection is that the agreement between the two countries does not constitute an international treaty; if it did, the natural inference would be that Canada would be bound by it. The Governments of Great Britain and the United States take the ground that under the international arrangement Americans have a right to secure copyright in Canada. The question is purely one of judicial interpretation, but what tribunal is to decide? Meanwhile Canada is enforcing Sir John Thompson's interpretation. The reason why the treaty does not bind Canada is that a Canadian copyright Act stands in the way. This Act being of an unusual nature, was reserved for the consideration of Her Majesty, but the veto power was not exercised, and the time has passed when this prerogative could be invoked.

In the McKinley bill is found, side by side with increased restriction, a potential element of free trade in the form of permissive reciprocity, the natural child of executive arrangement. By a sacrifice of revenue, in this direction, of $62,000,000, a great increase of non-dutiable goods has resulted. This is only what might have been expected; and if duties were removed or lowered on other articles a great increase of trade would follow. Increased imports of free goods were coincident with increased exports, of which it was to some extent the cause. In the latter increase, two items, cotton and provisions, figure up to $40,000,000. The increase in machinery exported to Brazil, during the five months which the treaty had been in operation, was 20.72 per cent. The total exports to other countries increased to a greater aggregate amount than with the treaty countries of Latin America. France took $9,000,000 more in eight months than in the corresponding period of the previous year; the increase in wheat to England, within five months, was equal to that in the forty articles sent to Brazil under the treaty. The free trade element of the McKinley tariff puts to shame its restrictive clauses, and the contemplation of the contrast will produce a leaven which it will be difficult to deprive of its active properties.

Secretary Rusk, of the Agricultural Department at Washington, in his annual report to Congress, says: "Barley has held its value in the face of a large crop on an enlarged area, as the new duty has kept out a large part of the usual imports and," he adds "at least a portion of the duty on the imported has been virtually paid by the foreign growers." In other words, the new duty has proved nearly prohibitory, but the consumer has had to pay just as much as before. He has paid more, because the substituted barley, on the evidence of all the experts, was inferior to that previously imported. The claim that the Canadian virtually paid "at least a portion of the duty on the little imported," is not true. Admit that he got a lower price for the barley he exported, it is still true that the American consumer paid the whole duty. Both were injured, but we fail to see why that consideration should be a subject of congratulation. Secretary Rusk is more conscientious than some Canadian commentators who take the ground that the Canadian grower paid the whole of the duty. Being obliged to take a less price is not the same thing as paying a duty: even when it is as bad it remains something different. Let us call things by the right name and we shall avoid confusion.

Great has been the falling off in the imports of the United States, under the McKinley tariff, of several products which Canada grows: in barley, $3,500,000; in eggs, $1,250,000; in horses, nearly $1,250,000; in live stock a gradual decline. The McKinley tariff has, in these particulars, well fulfilled its design. Canada has lost a market to a large part of the extent indicated by these figures. What have we done to minimize the loss caused by diminished trade in this direction? We have substituted other crops for barley, and we have made some experiments in growing barley for the British market. The price of Canadian eggs has been maintained, though there may have been a lessened production. These changes are injurious and are attended with some inconvenience; but over the cause that led to them Canada had no control. Beyond all doubt, they involve some loss; but they sharpen invention and extend production in new directions. In this way, we do our best to retrieve the loss and to make the best of our resources. Canada is compelled to take lessons in self-reliance; she must take care that they do not incline her to exclusiveness; and the virtue once learned will stand her in good stead, come what will.

On Monday, the Supreme Court of the United States was occupied in listening to argument, in the case of the "Sayward," the Alaska sealer, seized by the United States Government for pursuing her avocation in "the waters of Alaska," a part of the Behring Sea more than three miles from land. Mr. Calderon, who argued the case on behalf of Canada, admitted that whatever decision the Court might give, it would not prevent Congress passing a law declaring that the whole of Behring Sea was under American jurisdiction, and though this would bind the Court, it would not confer the jurisdiction, since that could only be done by the consent of the civilized world. Russia, he contended, could not of herself have ceded any portion of the sea to the United States. Sol.-General Taft replied that the question which the petitioner sought to raise was not before the Alaska Court, which tried the case, and that the Supreme Court could not reverse or qualify the decision of the Government, which was in its nature political. There was, he alleged, nothing on the record to show that the capture might not have been within the three mile limit. The case, he argued, should have come up on a writ of error and not for prohibition. It is possible that the case may go off on a side issue, and that a decision on the writs may not be obtained. The most important fact announced by Attorney General Miller, after the hearing was over, to a representative of Associated Press, was that the United States and Great Britain have agreed to submit the question of the jurisdiction of Behring Sea to arbitration. A final settlement of the dispute is now in sight.

MUNICIPAL FINANCE AND MUNICIPAL ADMINISTRATION.

In Toronto, a Ratepayers' Association is busy proposing municipal reforms. The reforms discussed include;

1. Municipal organization.
2. Legislative and executive administration.
3. Assessment (negative).
4. Financial economy.
5. Public debt.

One suggestion, on municipal organization, is that the duties of the aldermen should be confined to legislation; and that the executive administration should be vested in commissioners appointed by the council. Formerly we had aldermen and councilmen, but they all sat together in one chamber, and the chief distinction was that the aldermen were vested with the functions of justice of the peace. When a police magistrate became necessary, this adjunct to the aldermanic function lost its *raison d'etre*, and after a time ceased to exist. In some American cities the municipal councils are composed of two bodies. The duties of aldermen could be retrenched in the way suggested only if some separate executive authority were supplied. Those who suppose that there is some special virtue in commissioners forget that the Tweed frauds were perpetrated by machinery of that kind, and that fifty millions of dollars were expended or stolen in a part of New York where there