

lay would be a cause of regret, but it may become unavoidable. At the same time, the ghost of the late Mr. Capreol's Georgian Bay Canal is being invoked. Some facile talk about an expenditure of fifty or sixty millions on the project has been indulged in. On the financial scheme on which it is to depend, not a word has been said, except that nothing will be asked from the city of Toronto. Connected with the canal project is another for supplying the city with water from the Georgian Bay. It is to be hoped that the city will never commit the folly of entrusting its water supply to a private company.

After this, the possibility of American cheese shipped through this country being passed as Canadian will cease. It will be branded *in transitu*, at Montreal. Canadian cheese has a reputation to maintain, and it will not be liable to suffer injury in future from substitution of American in its name.

Some change in Indian currency is contemplated by the British Government, in accordance with a report of Lord Herschell's committee. What bearing the change will have on the silver question can only be conjectured; but the *Times* says that, from fear of disturbing the market, the Government will not publish the report until it has decided how to give effect to the recommendations of the committee.

THE TARIFF ENQUIRY.

Halifax and St. John have been visited by Messrs. Foster and Bowell, and suggestions of tariff changes have been made and listened to. Only the barest mention of what was said at the secret meetings has reached the public. The Ministers do not seem to realize that the country expects an intelligent plan for giving relief from the burthen of the tariff. We see no evidence that the enquiry is directed with a view to obtain information for this purpose. In fact, so far as appears, it does not seem to be directed at all, but to be allowed to run riot in a haphazard way, according to the will and pleasure of each adviser of the Ministers. There is nothing to show that any effort is made to ascertain how much the price of protected articles is enhanced by the duty; how much more the consumer has to pay in consequence of the tariff; what is the average rate of profit in protected and non-protected industries; what it is on the capital owned by persons who carry on the enterprise, whether farmers or manufacturers, and on the portion which is borrowed; what would be the effect of a given reduction of duties; what proportion the price of protected articles has borne to the varying cost of materials and the cost of labor. As a rule, persons connected with the protected interests suggest some plan by which protection may be increased, such as the lowering of the duties on materials which enter into their products. Importers, on the other hand, generally favor a reduction of duties, and not seldom a change in the form.

Enquiries of this kind, unless they are

complete and embrace representations of every conceivable interest, are worse than useless, because they present a partial, one-sided and therefore false view of the facts. Every one interrogated states only what he conceives will tell in his own favor, and will excuse himself for not answering when the answer will tell against him. Nearly the only instances in which a lowering or abolition of duties will be advocated by a manufacturer is when the duty being inoperative by reason of his being able to produce at a rate which defies foreign competition, he fears that the retention of the tax may provoke retaliation. In this condition the leather manufacture of the United States was formerly found; and the manufacturers plainly told the Government that as they could manufacture at a less cost than any other nation, the duty was not only inoperative, but a menace to their interests, as being provocative of retaliation. At this time American manufacturers could export leather to England at a profit; but if they had had to meet there a duty equal to that of the United States, they would no longer be able to do so.

The theory of the members of the Canadian Government, who are carrying on this tariff enquiry, is that protection is to be continued until the several manufacturers are self-supporting; and that meanwhile duties are to be kept on to equalize the difference between the rates of interest and wages in Canada and foreign countries. The pretence is that the farmer is to share protection along with the manufacturer. This is a feat which no tariff can accomplish. How is it attempted to be done? By putting duties on farm produce. But the country grows such produce in excess of its own wants; the surplus, which finds a market in England, has to be sold at a price determined by the proportion of the world's supply to the world's demand; and the price obtained for the overplus fixes the price of the whole, including what is retained in the country for consumption. The duty put on here has no effect in determining the English price, which the Canadian, like that of every other exporting country, has to follow. If from local or accidental causes the Canadian price is sometimes enhanced through the duty, the incident only marks the exception to the rule; and we should delude ourselves if we accepted the exception for the rule. This is what we are asked to do.

If, in the case of the farmers, the largest body of producers in the country, protection cannot equalize the difference in wages and interest, it is obvious that it fails to attain the first object of its existence. And as it can equalize the rates of interest in two different countries, only by enhancing profit through an increase of price, it equally fails, in its application to agriculture, in the second object. And yet we are told that a system which thus fails is to be continued until an equalization of the rates of wages and interest between Canada and other countries is, by some unexplained process, brought about, though how this is to be done we are not informed. Does any one expect to see the day when the rate of interest in Canada will fall to the Dutch level? Does any one expect to live to see

the day when wages will be on the same level in Canada and Belgium? And if so, how is the levelling process to proceed? Is the levelling to be upwards or downwards, or is it to move from both directions at the same time? The chances are that those who talk glibly about the future equilibrium of wages and of interest on money, have never attempted even to imagine how the process is to be worked out. One thing is certain: exaggerated protection, while it lasts, imposes sacrifices on the community by enhancing prices to the whole body of consumers. This might be borne with for a time, if compensation were sure to come in the near future; but if we are to wait for the benefits which the sacrifice was intended to purchase until wages and interest attain a common level, in different countries, the sacrifice will bring nothing but disappointment.

AN OBJECT LESSON IN WASTE.

The lesson taught by the record presented in the Fire Tables for 1892 of the *New York Insurance Chronicle*, is of more than ordinary interest. Not only because the waste by fire in that year was greater than in any previous twelve months, but because the increasingly minute tabulation of American fires in this valuable compendium shows further new and destructive causes of fire.

We learn from Table No. 3, which exhibits the aggregate annual losses in the United States for eighteen years beginning with 1875, that the value of property burned in that period exceeded 98 millions of dollars in each year. Beginning with 1883, in which year the fire loss exceeded \$100,000,000, the increase has been fairly steady until last year the figure reached \$151,516,000, which is eight millions more than the alarming total of 1892.

According to this authority there were no less than 29,332 fires in the United States and Canada last year—a number six thousand in excess of the previous twelve months—and each one of them cost the country between \$6,000 and \$7,000 on an average. "The duty imposed upon fire underwriters is an onerous one," says the *Chronicle*. "They must keep ahead of this tidal wave of fire by collecting and holding ready for instant disbursement millions upon millions of dollars, sustaining their companies in the meantime, and making their business fairly 'profitable' if they can. If rates increase as the fire wave mounts higher, the people protest against the 'extortions' of the insurance companies; if, in self-defence, the companies seek to prevent the demoralization of the insurance business, and to uphold themselves as a body, by fixing tariffs of rates that experience, not to say emergency, requires, legislators and daily newspapers bristle with hostility and endeavor by all the means in their power to defeat the work undertaken by the fire insurance companies.

"Tens of millions of dollars would be saved to the people of the United States each year if they understood what this waste by fire means to them. If the 'common welfare' still interests the people and their statesmen, there is an important