

about is the amount of dividend which will be paid and when it will be declared. It has been, he states, generally announced by those who ought to know, that 25c on the dollar would not be realized, and he asks to what does this amount in view of the manner in which unfortunate debtors of the bank have been harried and in fact ruined by the procedure resorted to to squeeze their financial life blood out of them.

NATIONAL CREDIT AND HONOR.

Apropos to the recent refusal by the U. S. congress to pay the award made by the Paris arbitration, the *Seattle Press Times* observes that its course in that direction will cast discredit upon the good faith of the country. "We went," it says, "into the arbitration undertaking to abide by the result, just as we went into the fishery arbitration undertaking to abide by the result of it. The arbitrators in the latter assessed the amount which we ought to pay at \$5,000,000. It was doubtless excessive; but the national honor was at stake and the amount was paid. This congress seems to care neither for national credit in finance or national honor in diplomacy. The ground upon which the appropriation for the sealing award was refused was that many of the claimants are American citizens, who simply hoisted the British flag on their schooners to escape liability to the laws of the United States. There is probably no doubt about this; but it seems to be a late hour in the day to raise the question. The time to have done so was before the award was given. This country favors the settlement of international disputes by arbitration and will not approve of the action of congress in this matter."

We think that the *Press Times* is perfectly right when it says that the refusal will cast discredit upon the good faith of the United States and that the national honor is at stake. We perfectly agree with our contemporary that "congress appears to care neither for national credit in finance nor national honor in diplomacy." This has been the case throughout the entire sealing controversy, and as for the fishing arbitration it was not without a very considerable amount of grumbling and protestation that the amount awarded was finally paid over. As far as Canada was concerned we may remark that it was considered to be utterly inadequate. It is the sheerest folly to talk about many of the claimants having been American citizens who hoisted the British flag. That is beside the question. Whatever they were they were under British protection and the records show that the greater number of the vessels seized hailed from the port of Victoria and belonged to people living here.

THE FISCAL SITUATION.

It is declared by Mr. W. C. Ford, the chief of the United States Bureau of Statistics, that for the calendar year 1894 the exports of the country have fallen off by no less than \$150,000,000. The tremendous decline in the trade has cast a vast accumulation of farm products upon the market, and has depressed prices enormously. It is estimated that products are fifty per cent. cheaper in 1895 than they were not so many years ago. There may be markets in which, for local reasons, the figures are equal to or slightly higher than our own; but, generally speaking, our agriculturists are securing better returns than are those of the United States.

The effect of the drop upon the condition of the people has been very marked. Mortgages have grown materially, and land values have fallen. The Philadelphia Ledger reports that in York county, Pennsylvania, alone lands have depreciated during 1894 to the tune of \$1,347,000, while the values of horses and cattle have fallen by \$480,000. The *Mail and Empire* on this subject remarks, "we might, in a period of high prosperity across the line, level down our barriers, but with business in so bad a state, and prices so very much below the home standard, it would be suicidal to effect such a change now. The experience in agriculture is repeated in the industrial pursuits. Many thinking men in Canada have been inclined to consider whether or not some sort of fiscal change would be desirable. But the industrial conditions in the United States are so seriously disorganized, as witness the accumulation of stocks, the fall in prices, the reduction in wages, and the vast additions to the great army of the unemployed, that, whatever we may think of free trade as a principle, or of tariff reduction as an expedient, we are all forced to the conclusion that neither one nor the other can be made the subject of experiment at the present time."

EDITORIAL COMMENT.

The principal of a large importing house in Montreal, who has just returned from England, states that he was in a certain bank there at the time a loan of £240,000 was made at the low rate of $\frac{1}{2}$ of 1 per cent. per annum. The acceptance of such low rates of interest on the other side would indicate a great distrust of foreign investments, as much higher rates could be had abroad. But what about the securities?

It is just about a year ago since any change has been made in the Bank of England rate, which has ruled uninterruptedly at 2 per cent. since 22nd Febru-

ary, 1894. That no change should have taken place for such a period is, if we mistake not, unheard of in the Bank's history. The rate which has ruled during that time has been the lowest and the Bank has been well supplied with gold, its reserves being higher than when a higher rate was in force.

If Canada attained the density of population now possessed by the United States, or even the lower average of Ontario of 10 persons to the square mile (and there is no reason why that should not be attained in the next century) the Dominion would contain over 30,000,000. At the opening of this century the population of the United States was only 3,800,000; now it is 65,000,000. What the nineteenth century did for the United States the twentieth century may do for Canada.

The conditions under which we live are indeed critical and they prevail the world over. Recently the president of the Blackburn, England, Chamber of Commerce remarked that never was the weaving and spinning interest of Lancashire in so deplorable a condition, never had there been such a time of disaster and loss and never did the prospect look darker. This, by the way, is an English opinion, and, if times be so there, we may well consider not only their reflex action upon ourselves, but how we may best safe-guard ourselves against trouble in the future.

Apropos to the subject of the combine which has been entered into by certain firms claiming to be the "most wide awake" establishment's and to "keep the best selected stocks" to sell at prices which "are the lowest" and who do a cash business, we would remark that we fully sympathize with the object of reducing profits on cash trade; it is the methods to which we take exception. We are quite aware that the statements of the *BRITISH COLUMBIA COMMERCIAL JOURNAL* upon the subject have caused something approaching a sensation in the quarters most directly concerned, our course having been the object of no small amount of criticism and condemnation on the part of those who are the most particularly concerned, nevertheless we believe that we are in the right and that this can be amply demonstrated. The law, we are convinced, has been infringed upon, and though several parties have endeavored to demonstrate the contrary, there can in our opinion be no doubt that that the merchants' trade script is an illegal issue.