

be sought by Mr. McLaren, and in that case it might be said that any protection given to him in the collection of tolls was an interference with the private rights of those who have contended that river improvements are public property. Whatever may be the final decision, legislation will be indispensably necessary, and we cannot help thinking that it would be wise in the Ontario Government, under all the circumstances of this case, to await the judgment of the Privy Council before reintroducing their old Bill. That judgment is not likely to be very long delayed, and when it has been rendered, all parties will be in a better frame of mind for solving the difficulty. As the *Globe* remarks, without legislation the whole lumber industry will be liable to be thrown into confusion.

QUEBEC FINANCES.

There is a rumor at Ottawa, which seems to be credited by the *Free Press* of that city, that the French Canadian supporters of the Government have recently held a secret caucus meeting from which French Canadian Liberals and British Conservatives were carefully excluded. It is, of course, impossible to place much reliance on the reports of the proceedings at such a meeting. The *Citizen* protests that the object of the meeting was to consider the mode of encouraging the manufacture of Canadian grown tobacco, to which the *Free Press* plausibly replies that it is absurd to suppose that such an object would have brought Mr. Mousseau from Quebec to attend the meeting. The view taken by the *Free Press* seems at least far from improbable, as Mr. Wurtele publicly stated that the Quebec Ministry and Legislature were determined to put all the pressure in their power on the Dominion Government to obtain an increased subsidy, and this and increased patronage is what the *Free Press* believes to have been the object of the caucus meeting. French Canadian solidarity is to be maintained with a view to obtaining a recognition of their demands from whatever party may be in power in the Dominion.

It seems hardly credible that the Quebec Administration would have taken the line that it has done regarding the increased subsidy without previous negotiation with the Dominion Cabinet. No attempt is being made to extricate the Province from its financial difficulties, and yet there is an ominous silence on the subject at Ottawa. The budget speech may possibly contain some announcement in regard to the subsidy but we hardly think that the Government will

venture to propose an alteration of the conditions on which Confederation was established in violation of the provisions of the Imperial Act. Of course much would depend on the view taken by the Ontario Legislature on the subject of an increased subsidy, but looking to the financial position of that Province, and to the general belief that Quebec contributes to the revenue proportionately much less per head of the population than Ontario, it seems highly improbable that Ontario will consent to a large additional appropriation from the Customs and Excise revenue to relieve Quebec from embarrassments brought about by its undertaking works quite beyond its means. Should then the pressure of the Quebec members on the Dominion Government be successful, it seems not improbable that Ontario will appeal to the Imperial Government for protection against the formidable combination which is arrayed against it, and, judging from the past, we should be inclined to think it far from improbable that such a demand as we have indicated would be likely to cause a reaction in the Ontario Conservative party, such as took place in regard to representation by population prior to Confederation. The actual position of affairs is clearly critical. Quebec is seriously embarrassed, and is evidently unprepared for the true remedy, direct taxation. It can suggest no mode of relief but an alteration of the provisions of the Confederation Act adopted deliberately by delegates from all the Provinces. We assume in the meantime that Ontario will resist such a change, and that its apparent indifference is with the view of encouraging the Dominion Ministry to take a step that may be fatal. Something must necessarily be settled on before the Quebec House adjourns.

THE MAKE-SHIFT TARIFF.

Such is the designation applied by a correspondent of the New York *Daily Commercial Bulletin* to the new tariff adopted by Congress on Sunday the 4th instant, and in view of all the circumstances attending its passage it can scarcely be denied that it is singularly appropriate. The writer, Mr. Donnell, is evidently a free trader, as that term is understood in America, and which is not inconsistent with the advocacy of incidental protection. Mr. Donnell appeals to all real lovers of liberty to stand ready with the framework of a new party, in case the present Democratic party should fail in the approaching trial, and he predicts that within five years, probably within

three, all laws levying taxes for any other purpose but the support of the Government will be superseded by a strictly constitutional system of taxation, and the system called "protection" will forever disappear from this country. Mr. Donnell has very little faith in the Democratic party as at present organized. He doubts whether in the last Congress the Democrats had any programme at all, and he sees no sure evidence that there were a majority of free traders in the Democratic party. This statement will cause little surprise, as it has long been sufficiently obvious that the party lines in the United States have been drawn without special reference to the question of the tariff.

The most important change in the tariff is in the duties on sugar, and the introduction of the test of the polariscope instead of the Dutch standard for all sugars not above No. 13 Dutch standard in color. In the Canadian tariff the classification is: 1st, under 9; 2nd, equal to 9 and not above 14; and 3rd, above 14. The American classification is: 1st, not above 13; 2nd, above 13 and not above 16; 3rd, above 16 and not above 20; 4th, all above 20. The duties on the three higher classes are respectively, 2½ cents, 3 cents and 3½ cents per lb. On the lowest class, viz., not above 13, sugars testing by the polariscope not above 75 degrees are liable to a duty of 14-10 cents per lb., with 4-10 additional for every additional degree or fraction of a degree shown by the polariscope test. It will, we think, be found that the lowest grades in the United States tariff will be admitted at much the same rate as our combined rates of ½ and ¾ cents per lb., and 30 per cent *ad valorem*. The higher grades are subjected to rather higher duties than ours, estimating the value according to those given in the trade returns. We believe that in the old tariff there were combined specific and *ad valorem* duties. There was great complaint made some time ago that the West Indian sugars had been colored, so as to get them in under the color test, although really sugar of good quality. This has led to the adoption of the polariscope test.

The duties on cottons, woollens and silks are still very high. It is the opinion of Mr. Donnell that the practical effect of the duties on raw materials has been to prevent the United States manufacturers from competing in the markets of the world. There is not, he says, the slightest promise in the new tariff that under it our manufacturers will be able to export their surplus products. Plain cottons will still be exported, but colored