

Republic in the seizure of Canadian vessels on the high seas, while engaged in a lawful pursuit, has created in this country a sharp reaction in an opposite direction, even among the ardent admirers in Canada, of the United States. So long as the "tail twisting" feature remains a factor in the politics of the Republic, the friendly feeling which should naturally exist between the British Empire and Canada especially, and the United States, will hardly attain to that degree which the common sense of these countries should and no doubt do wish for.

RECIPROCITY WITH THE U. S.

The proposed amendment to the new tariff bill while it was under discussion in the United States Senate, looking to reciprocity with Canada, has shown that the two political parties in Canada are each in favor of freer trade relationship with the United States. Senator Sherman's resolution introduced as an amendment to the tariff bill, did not provide for reciprocity with Canada, but had it passed it would have been an important step in the direction of reciprocity. There were two important proposals in the Sherman resolution. The first provided for free trade in coal between Canada and the United States, while the second and more important part of the resolution provided as follows:—

"Whenever it shall be duly certified to the President of the United States that the Government of the Dominion of Canada has declared a desire to enter into such commercial arrangements with the United States as will result in a complete or partial removal of the duties on trade between Canada and the United States, he shall appoint three commissioners to meet those who may be designated to represent the Government of Canada to consider the best method of extending the trade relations between Canada and the United States, and to ascertain on what terms greater freedom of intercourse between the two countries can best be secured, and said commissioners shall report to the President who shall lay the report before Congress."

Unfortunately the tariff bill was passed without the consideration of the Sherman resolution. The bill had been a long time under discussion, and the Senators were anxious to hurry the measure through, hence the reason given for dropping the amendment looking to reciprocity with Canada. The discussion of the amendment, even if it had been defeated, would have been more satisfactory than the propping of the matter without discussion, as it would have shown Canada what feeling prevails in the Senate upon the question. As it is we are merely left to guess what the sentiments of that legislative body may be upon this matter.

In this country both political parties are committed to reciprocity if it can be obtained. Though the party in power is the party of protection, it is committed to reciprocity just as much as is the opposition. The statements of leading politicians on the government side since the early days of the "National Policy" movement, have committed the Conservative party to reciprocity, and the present Canadian Government could not reject any proposals in that direction coming from the United States without ignoring its declarations in the past. The comments of the Conservative press and Conservative leaders on the Sherman resolution

showed that the party was preparing itself to accept the proposals had they been passed by Congress. There is, however, little use of keeping up an agitation in Canada in favor of reciprocity until the question assumes some practical shape in the United States. Canada has sued for freer trade with the United States on several occasions, but our advances have always been rejected by the Republic. Any offer for reciprocity should therefore come from the United States. It seems like folly to keep up the agitation in this country, unless there is some reason for believing that United States legislators have changed or are changing their views upon the question, and are prepared to meet us half way. There is now little prospect that Congress will make any move this session in the direction of reciprocity with Canada. The session is now well spent and the remaining measures will be hurried through. While therefore we have no indication that Congress is more favorably inclined toward reciprocity than heretofore, we have on the other hand the passage by that body of a new tariff bill which strikes a hard blow at trade with Canada.

THE MCKINLEY TARIFF.

Last week we referred briefly to the passage by the United States Senate of the new tariff bill. The bill passed the House of Representatives previous to going to the Senate, and a number of amendments were made to it by the latter body. These will have to be concurred in by the House before it becomes law. The bill is therefore still subject to change, but the belief is that it will be finally concurred in by the two legislative bodies with little if any change from its present form. The date of bringing the bill in force has been fixed for October first, but it is hardly thought possible that it can be enforced by that date. Strong protests have been made by important commercial bodies throughout the country, against putting the bill in force so soon. Even therefore should the House agree to the amendments made by the Senate, it is probable that the bill will not be put in force until a later date than that named.

An important change made by the Senate in the bill was that of placing binding twine on the free list. This was done in deference to the western agricultural vote, though manufacturers worked hard against this feature. The tariff on pine clapboards was reduced from \$2 to \$1 per thousand feet. The duty on fresh fish was made $\frac{1}{2}$ cent per pound. There was quite a fight over the question of the fish duties, and at one time it looked as if fish would go on the free list. Another important addition to the bill provides for a duty of 10 per cent. on tea, when not imported direct, otherwise tea will be free. The object of this is to prevent the importation of tea via Canada and the Cape of Good Hope. This is a direct discrimination against the carrying trade of Canada.

What is regarded as the most important amendment to the bill by the Senate was the resolution embodying the Blaine idea for securing reciprocal trade with South American countries. Briefly this amendment provides for the placing of duties on sugar, molasses, coffee, tea and hides, when shipped from coun-

tries which impose duties on products coming from the United States. The idea is to force the South American countries to admit products from the United States free of duties, in return for the admission of sugar, molasses, coffee, tea and hides into the United States free of duty, these products being the principal exports of the southern countries.

The bill as it now stands will strike very hard upon exports from Canada, as the duties have been largely increased on nearly all commodities which are imported from Canada to any extent. Following are the changes in the duties on the principal commodities exported from Canada:

Articles.	Old Duty.	New Duty.
Apples, green or ripe.....	Free	6c. lb.
dried.....	"	5c. lb.
Cattle, 1 year or under.....	"	\$2 head
Eggs.....	"	5c. doz.
Straw.....	"	80 p. c.
Barley.....	10c. bush.	30c. bush.
Barley malt.....	20c.	45c "
Beans.....	10 p. c.	40c "
Butter, and substitutes.....	4c. lb.	6c. lb.
Cabbages.....	10 p. c.	1c. each.
Cheese.....	4c. lb.	6c. lb.
Hay.....	\$2 ton	\$4 ton.
Hops.....	8c. lb.	15c. lb.
Oats.....	10c. bush.	15c. bush.
Oatmeal.....	10 p. c.	1c. lb.
Onions.....	10 p. c.	40c. bush.
Peas, green.....	20 p. c.	40c.
dried.....	20 p. c.	15c. "
split.....	20 p. c.	50c.
Potatoes.....	15c. bush.	25c.
Wheat.....	20c.	25c. "
Wheat flour.....	20 p. c.	25 p. c.
Cattle, over 1 year.....	20 p. c.	\$10 head.
Horses and mules.....	20 p. c.	\$80 "
Horses, \$150 or over.....	20 p. c.	30 p. c.
Hogs.....	20 p. c.	\$1.50 head.
Sheep, 1 year or over.....	20 p. c.	\$1.50 head.
Sheep, less than 1 year.....	20 p. c.	75c.
Other live animals.....	20 p. c.	Same.
Mutton.....	1c. lb.	2c. lb.
Poultry, live.....	10 p. c.	3c. lb.
Poultry, dressed.....	10 p. c.	6c. lb.
Lumber, sawn, N. E. S.....	\$2 M.	\$2.50 M.
planed.....	"	\$3 M.
grooved.....	"	\$3.50 M.
double grooved.....	"	"
Boards, planks, deals, &c., of white wood, bass wood, sycamore, hemlock.....	\$1 M.	\$1 M.
Boards, white pine.....	"	\$1 M.
Timber, hewn and sawn.....	20 p. c.	10 p. c.
squared, N. E. S.....	1c. foot	4c. cub. ft.
Pine clapboards.....	"	\$1.50 M.
Spruce.....	"	"
Pickets and palings.....	"	10 p. ad val
Laths.....	"	15c. 1000 ps
Shingles, white pine.....	35c. M.	20c. M.
other.....	35c. M.	30c. M.
Railway ties, telegraph poles.....	free.	25 p. c.
Cedar posts, paving posts.....	"	25 p. c.
Staves, wood, all kinds.....	"	10 p. c.
Hubs, posts, car blocks, wagon blocks, last blocks, rough, hewn, or sawn.....	"	20 p. c.
Casks and barrels, empty.....	"	30 p. c.
Sugar box shooks.....	"	30 p. c.
Packing box shooks, N. E. S.....	"	30 p. c.
House or cabinet furniture, wholly or partly finished.....	35 p. c.	35 p. c.
Manufacturers of wood, N. E. S.....	35 p. c.	35 p. c.

LEATHER.

The steady advance in leather in the United States has apparently ceased for the time, though further advances are expected in some lines. There is still the large fall demand to fill to a considerable extent, and any changes in prices are likely to be in the direction of still higher figures. The rise in leather has been one of the most remarkable features in commercial circles for some time. It has been remarkable in the steady and rapid nature of the advance, and the length to which it has been carried, amounting to from 10 to 75 per cent. on different lines. A Boston correspondent of *Bradstreet's* says:—"Good upper is scarce, and resort has been had to many substitutes. Light grain sells easily at 12 to 16c. and heavy at 15 to 18c. With a little rush in the shoe