

ESTABLISHED 1866.

THE MONETARY TIMES

AND TRADE REVIEW,

With which has been incorporated the INTERCOLONIAL JOURNAL OF COMMERCE, of Montreal, the TRADE REVIEW, of the same city (in 1870), and the TORONTO JOURNAL OF COMMERCE.

ISSUED EVERY FRIDAY MORNING.

SUBSCRIPTION—POST PAID.

CANADIAN SUBSCRIBERS, - \$2.00 PER YEAR.
 BRITISH " - 10s. 6d. STER. PER YEAR.
 AMERICAN " - \$2.00 U.S. CURRENCY.
 SINGLE COPIES, - - - 10 CENTS.

Book & Job Printing a Specialty.

OFFICE: Nos. 64 & 66 CHURCH ST.
 TELEPHONE NO. 1485.

EDW. TROUT,
 Manager.

TORONTO, CAN., FRIDAY, MAR 4, 1887

THE SITUATION.

A retaliation bill has finally passed both Houses of Congress, at Washington. This result has been arrived at by the House accepting the bill of the Senate. The House Bill proposed to break the Connection of Canadian railways, at the frontier by shutting out Canadian cars and their contents; the Senate Bill, to which the House has reluctantly agreed after formally objecting to it for some time, stops short of this. The administration was in favor of the more sweeping measure. It will be in the power of the President, after he has signed this bill, should he see cause, to shut out Canadian vessels. An expression of opinion, on what founded we know not, comes from Washington, that the President will pigeon-hole the bill. Lord Salisbury is reported to be considering the question in a conciliatory spirit, and in the hope of reaching some conclusion by which irritation and trouble may be avoided, during the coming season. That he may be successful is devoutly to be wished.

The re-enacted bait bill of Newfoundland has been vetoed by the Crown, the objection to it being that the great change which it introduced came so suddenly that French interests must suffer by it. This is carrying the principle of good neighborhood far; too far in the opinion of Newfoundland, Sir Henry Holland, colonial secretary, remarks that, in spite of the complaints made, it has not been shown that the British fisheries in Newfoundland are unremunerative. Now that notice of such a measure as that disallowed has given the French timely warning of what they may expect, it is probable that next year a Bait bill would receive the royal assent.

Before it was known that the second Bait Bill had been vetoed, two members of the Newfoundland Government, the Premier and Sir Ambrose Shea, set out for England to try to obtain the royal assent to it. They took with them an address to the Queen on the subject, unanimously passed by the Legislature. This address is pitched in a high key, which to the excited legislators the occasion seemed

to demand. "Foreigners," it says, "have no rights in Newfoundland's fisheries, and Newfoundland does not propose to sacrifice her rights or to have them sacrificed." It is no doubt a hardship to have to furnish a rival with a weapon which, with the adventitious aid of a bounty, enables him to undersell you in the markets of the world. But is not this talk about what Newfoundland will not do or permit, slightly ludicrous? She cannot help herself; and the threat of annexation to the United States she is in no position to carry out. The sooner all this fuss, bluster and bravado are got rid of the better. They only make those who indulge in them objects of ridicule to all sober-minded people. A union with Canada is spoken of by some Newfoundlanders, as a remedy for the present state of things. Is it not too late? Canada wants no partner with the temper that Newfoundland displays. We have enough to do to reconcile differences among the present members of the confederation. Canada would sympathize with Newfoundland if she had a chance; but the temper of that Province is scarcely one that can enlist sympathy. Nevertheless we wish her safely over the economic pressure, under which she unfortunately suffers.

As spring approaches the question of the reduction of canal tolls again comes up. The reduction of last year must be held to have been justified by the event. A large increase of traffic followed. The Boards of trade of Montreal, Toronto, and Kingston agree in asking for a continuance of the reduction. If retaliation become the order of the day, this traffic would suffer extinction. But even if the Americans carried out a system of retaliation it does not follow that it would be wise in Canada to copy their example. The Kingston Board of Trade asks for a reduced rate of two cents a ton, to "remain in force until Parliament shall legislate the abolition of tolls on Canadian canals." But meanwhile, what have Kingston forwarders done to facilitate this traffic? What degree of elevator power have they called into existence? If they had imitated, in a remote degree the energy of Buffalo forwarders, the position of the traffic might have been somewhat different. What are they now doing to improve the facilities of the traffic besides calling on the Government to lower the tolls? Petitioning is cheap, but it is not always a mark of the greatest enterprise. Still on the whole, the reasons for reduction preponderate.

The anti-chinese feeling, in British Columbia, has borne its legitimate fruit, in the form of an outrage on Chinamen who had gone to Vancouver to work. The victims were maltreated, but few, if any, of them seriously injured. The Legislature acted with promptitude and in a way to preserve the honor of the Province. Promptly, in a single day, it suspended the city charter, vested authority over the place in the Government and got the bill sanctioned. With the same alacrity a special force was sworn in; and, armed

with batons and revolvers, sent off to Vancouver. Ringleaders among those who took part in the outrage were arrested. British Columbia does not love Chinese, but she does not intend that lawless men shall subject them to outrage with impunity. In the line of action taken, the authorities of the Province have the sympathy of the whole Dominion.

There is little probability of the new extradition treaty between England and the United States being ratified by the Senate. Strange to say the proposed surrender of dynamitards is the obstacle in the way. A refusal to surrender ordinary political refugees we can understand; England would insist on it not less than the United States. But dynamitards should be treated as the enemies of mankind, and be allowed no right of asylum anywhere. When the Chicago bomb-throwing precedent has been acted on a few times, possibly the Senate may come to a better state of mind.

Again there is a shrinkage in the reserves of the New York banks, which, if continued will, as the *Shipping List* points out, "necessitate a greater degree of caution in making loans, and render the market liable to be influenced by manipulation from operators seeking to cause an artificial stringency." The Treasury was causing a drain, not counteracted by the redemption of bonds and the state of domestic exchanges prevented shipments of money from the west to the east. Still money was abundant for all mercantile purposes, and the prospective advance of rates has been chiefly used as a "bear" argument with stock operators. Call loans at the Stock Exchange and bankers' balances have been available at 8 @ 4 per cent., with temporary furries that carried the rate up to 6 per cent. First-class indorsed bills, with sixty or ninety days to run, have been taken at 4½ @ 5 per cent. discount, four months at 5 @ 6, and good single-named paper at 6 @ 6½.

The French wine crop of 1886 is not only small but poor in quality. The quantity was less than that made in any year since 1880, with one exception. And the official reports pronounce the quality "generally bad" France must make up for the deficiency as best she can. Mediterranean supplies will be drawn upon, and Australian and Californian, to some extent. All sorts of French brands are being counterfeited, in California; but the deception, though it may work its purpose at home, will not take in Frenchmen. The wine thus mislabelled is genuine; the fraud consists in calling French that which is Californian. The victims will be chiefly Americans. There is no reason why California should not make good wines, and she does herself great injustice in passing off her wines for what they are not. Germany is accused of doing the same thing, and no doubt with truth. French wines are the best; but other countries can produce good wines, and they would do best in the end by standing on their own merits, whatever they may be.