THE JOURNAL OF COMMERCE-FINANCE AND INSURANCE REVIEW.

COMMERCIAL UNION.

We can assure the Winnipeg Free Press that in his reply to the remarks in our issue of the 16th inst., on our "Commercial Policy," he has quite satisfactorily explained his own views, and has convinced us of what we inferred from his former remarks, that we were correct in assuming him to be opposed to the subsisting connection of Canada with Great Britain. The Free Press must be aware that no member of the House of Commons has ventured to advocate the principle for which he contends. We admit that there are several newspapers which make no secret of their desire to separate from the Mother Country, but they do not pretend either to belong to any party or to have any principle in common. We learn now that the Free Press does not profess to belong to the party led by Mr. Blake and Mr. Mackenzie. The Free Press seems to think it is "absurd" in us to hold that there should be no discriminating duties, not even in favor of the "dear Mother Land," but we are unable to discover any inconsistency in our doing so. The inconsistency is with our contemporary, who seems to imagine that, because Canada has imposed heavy duties on imports from all countries, she may consistently establish discriminating duties against Great Britain.

It is difficult, we admit, to know how to answer one who asks, "what difference could it make if we were at the same time to decide on admitting American goods free of duty ?" If the Free Press is unable to comprehend that the establishment of discriminating duties by one state against another is looked on as an act of aggression, we can only regret that he knows so little of the commercial policy of the world. If Canada were an independent nation to-morrow she would have to enter into commercial treaties, and would most assuredly have to insert the clause generally adopted, and known as "the most favored nation" clause. We endeavoied to point out to the Free Press, what seems to us clear as the sun at noon-day, that Great Britain would never permit Canada to enter into a treaty with a foreign state under which the exports of such foreign state would be admitted on more favorable terms than her own. It is simply absurd to imagine the possibility of her doing so. Even independence would not enable Canada to escape the difficulty, for, as an independent state, we should have to make treaties with Great Britain, France and other countries, and we should be obliged to insert the most favored clause,

so that, if we admitted United States manufactures duty free, we should have to treat all other countries alike.

We are told by the Free Press that many United States journals are advocating commercial union, without reference to annexation. We have not noticed any such advocacy, and we do not believe that there has been any. We have more than once cited authorities on the other side. The Free Press holds that "independence is only a question of time, and that hastening it by a year or two would not be a very serious matter." It would in our judgment be only reasonable for the Free Press to offer some evidence in support of its opinion. No member of the Canadian House of Commons has made an attempt to form a political party on such a question, nor has any member been elected to the House of Commons to advocate independence. Manitoba has already had a little experience of the consequences of rebellion, although the rebels of 1870 were of a different class. It is easy to write treasonable articles, especially at a time when there is no real excitement in the public mind, but it is very doubtful whether those who do so would have the courage of their convictions, if there were any real attempt made to overthrow the Government under which we live, Nothing is easier than to sit in one's study and make forecasts. Plenty have been made as to the future constitutions of Great Britain, France, Germany, Italy and other countries. Many, even after the events that we have witnessed, believe in the disruption of the United States. All these forecasts are silly in the extreme, indeed worse than silly. The real question is: Have we a system of Government under which we enjoy practical independence under the protection of one of the greatest nations of the world? If so, are we prepared to engage in a revolution to effect a change? The response to the foregoing questions would, we are persuaded, be in favor of our present constitution. Commercial union with a foreign nation on the basis of a hostile tariff against the Mother Country is an absurdity, and we own that it is inconceivable to us that the Free Press fails to perceive that it is so. One's only wonder is that the Free Press has not been read out of the ranks of Her Majesty's loyal opposition.

We think the present a favorable opportunity of submitting to our readers a few passages from the confidential correspondence of a statesman who passed away about twenty years ago, leaving behind him a reputation unsurpassed by any Colonial Governor. We refer, of course,

to the Earl of Elgin. In a letter to Earl Grey on the 23rd March, 1850, he wrote : "For one 1 have never been able to com-"prehend why, elastic as our constitu-"tional system is, we should not be able, "now more especially, when we have "ceased to control the trade of our "colonies to render the links which bind "them to the British Crown at least as "lasting as those which unite the compo-" nent parts of the Union." Mr. Baldwin having on one occasion complained to Lord Elgin of remarks calculated to give the impression that the connection was not likely to last, His Lordship replied, as he himself wrote :-- "I held it to be a per-"fectly unsound and most dangerous "theory that British Colonies could not "obtain maturity without separation, and "that my interest in laboring with them " to bring into full play the principles of " Constitutional Government in Canada "would entirely cease if I could be per-"suaded to adopt it." The foregoing are but specimens, of Lord Elgin's opinions, repeatedly communicated during a period of about seven years to the Secretary of State. They are worthy of the thoughtful consideration of young Canada.

FIRE LOSSES.

The fire losses in Canada and the United States, during nine months of the present year, number 9,965; the total loss was \$74,848,445; insurance loss, \$40,348,558. The total loss for the period named exceeds by \$7,683,545 the largest corresponding nine months' period (1879) for the previous five years. The loss is, thus far, $4\frac{1}{2}$ per cent. greater than that for The N. Y. Ins. Chronicle, which 1882. supplies the information, says : "In Canada, the January loss was exceeded four times in eight years (1875-77-78-79); the February loss, once (1879); the March loss five times (1875-77-78-79-80); the April loss three times (1879-80-81); the May loss five times (1875-76-77-81-82), the June loss was the lightest in eight years; the July loss was also exceeded every year but one. (1882); the August loss was exceeded twice (1877-79); the September loss was the lighest in eight years, with one exception (1879)." Of the 133 fires in Canada during September, 33 were dwellings, 25 barns and stables, 12 private sheds, 4 grist mills, 3 churches, 3 hotels, 3 lumber yards; 3 saloons, and 3 livery stables.

Taking the United States and Canada, the total annual loss in round numbers is about \$100,000,000. Outside of these the losses not reported are variously estimated at from \$20,000,000' to \$40,000,000. It would be safe to put them at \$25,000,-000. Here, then, is an absolute destruc-

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