

than two armed revenue cutters on the great lakes which form part of the dividing line between Canada and the United States. A telegraph from Cleveland says that British naval experts attached to the Washington embassy contend that the United States Government has transgressed this agreement in the construction of the "Walter T. Gresham," which, though named a revenue cutter, should properly be classed as a gunboat. The State Department at Washington is reported to be ready to reply to any complaint that may be made, that three vessels, in all, of the pattern objected to, are to be built for revenue purposes, and for these purposes only, and that Great Britain set the example when two revenue cutters were built for Canada two years ago, of the same or a similar design, with other novelties of a warlike nature, not copied in the American vessels. Up to the time of the construction of the "Gresham," there had certainly been nothing to complain of in the American observance of the treaty, whatever may be true now. Twice the United States Government had refused to permit war vessels to be built on the lakes, though the hulls should go to the ocean to receive their armaments. Though no party in the republic has asked that the treaty should be denounced, individuals and newspapers have done so, but their voice has not been heeded.

On the main point, whether the Sunday cars would require the Toronto Street Railway Company to pay a larger mileage to the city Treasury, the opinion of Mr. Christopher Robinson, asked for by the City Council, is in the negative. Mr. S. Blake's opinion is something more than a legal opinion. The argument that it would be reasonable for the company to pay more for a seven-days' than for a six-days' service, since the maintenance of the road would cost the city more, does not touch the legal aspect of the rights of the two parties to the contract. There is reason in the contention, but the time to put forward that reason was when the bargain was being made under which the company runs the cars and pays the city a part of the revenue. Mr. Blake acted for the city on that occasion, but it does not follow that he had any instructions on this point. The omission, if it be an omission, shows the difficulty of foreseeing everything. We must take the agreement as it is, for better for worse, and act loyally up to it, exacting the same from the company. The only practical question is whether the city should decide to act upon Mr. Robinson's opinion, or whether an agreed case should be presented to a court for its decision. Whichever course is taken, should be taken without unnecessary delay.

Less than a month ago, the American National Bank of New Orleans failed, and three other bank failures in that city have since followed. The fourth to go was the Bank of Commerce, the solvency of which was deemed undoubted, till a run by small depositors brought it down. The remaining banks in the Crescent City have partially suspended specie payments by limiting the payment of specie to \$100 to any one person; they have, at the same time, resorted to an issue of clearing-house certificates. Suspicion was created by the revelation that the Union National had been keeping two sets of books; one book-keeper's entries showed discrepancies to the amount of \$184,000, and another a larger amount, the total being reported at \$600,000. This brought on other bank failures. Against acts of personal dishonesty it is not always possible to guard; with a nervous man advanced in years at the helm, some want of vigilance may have contributed to the present trouble. All the New Orleans banks that have failed are National Banks, and of one of them the liabilities are unofficially stated to be \$200,000 more than the assets.

A curious bit of protection found advocacy from the Edinburgh Trades' Union Congress. It came in the shape of a demand that a clause be inserted in all government contracts that paper or other goods supplied shall, if obtainable in the United Kingdom, be of British or Irish manufacture. The resolution owed its paternity to workmen employed in paper mills, and when it was decided to ask that foreign paper be boycotted, all other goods supplied to the Government had to be included. There is of course not the remotest chance of the Government complying with this resolution. For British workmen to take this ground is the most short-sighted policy possible. Apparently it never occurred to them to ask what would be the fate of the British workmen if all other governments were to act on the principle of excluding foreign goods. If the Government were to pursue so narrow a policy for themselves, the demand that they should do it for the people would not lag far behind. It is matter of surprise that hard-headed British workmen should invoke an arbitrary rule, of which they of all others have the most reason to fear the general application.

#### CANADIAN HOLDERS OF AMERICAN INSURANCE POLICIES.

The question of the position of Canadian policy holders in American companies, in case free silver should win, came up in the Senate at Ottawa, when Sir Oliver Mowat gave an assurance on behalf of the Government, that, if it became necessary, the Government would take steps to protect Canadian policy-holders. Just what it could do, or would attempt, cannot even be surmised. Under the American law to-day, there is nothing to prevent debts of any kind, or to any amount, being paid in silver at the option of the debtor. This the present American Government will not do, though it is itself obliged to receive its taxes in silver certificates and obligations issued in payment for silver. As creditor, it is reduced to the position of an enforced recipient of silver; while as debtor it goes on paying in gold, as it believes itself bound, not in law, but in good conscience, to do. It is obvious that this is a state of things which cannot last forever; and if American insurance companies were obliged to receive their investments back in silver, could any law, American or Canadian, enable them to pay in gold, even their Canadian creditors?

#### REACHING OUT FOR TRADE.

Preferential trade, under the name of a commercial union between the colonies and the Mother Country, has got a set back. At a meeting of the Associated Chambers of Commerce, held in Southampton, a resolution averring that such a union would tend to promote trade within the British Empire, was met by the objection that it looked to protection, and was withdrawn. The result shows the real set of opinion in England, and is another proof that preferential trade, even if in the womb of the future, is a long way off.

Each chamber of commerce in the association offers resolutions expressing its own opinion, and tries to get for them the consent of the associated chamber. The London chamber raises the question of sending to the more important colonies agents, appointed by the Government, to enquire into and report on the degree of agricultural, commercial, mineral and industrial development which they have reached. Attempts have been made, from time to time, to induce the Government to cause consular agents sent abroad to become semi-commercial functionaries, but they have not been successful. If any agents such as those suggested