

ESTABLISHED 1866

The Monetary Times

TRADE REVIEW
AND INSURANCE CHRONICLE

With which has been incorporated the INTERCOLONIAL JOURNAL OF COMMERCE, of Montreal (in 1869), 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.

PUBLISHED BY THE

MONETARY TIMES PRINTING COMPANY OF CANADA,
LIMITED.

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President.	Secy.-Treas.

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TORONTO, CAN., FRIDAY, JULY 10, 1891

THE SITUATION.

Complaint is made of the bad way in which American cotton is shipped across the Atlantic, and the danger to life on the vessels thereby created. The statement has been made in the House of Lords that within twelve years no less than 171 American cotton ships have been on fire; and the fact is contrasted with the only four fires that have occurred, in the same time, on ships laden with cotton from India. This remarkable contrast is said to be due to difference in packing, the American methods being pronounced extremely defective, owing to carelessness. It was added that the agents of the Inman Line had announced that they should refuse to carry any more American cotton unless it were packed in the manner of Indian. The fact that vessels carrying American cotton are liable to this danger is of interest to the increasing host of travellers on Atlantic steamships; and they, in connection with the vessel owners, have it in their power to effect a reform in this particular. It may be true that few of these fires have caused extensive loss of life, owing to their smouldering a long time and being finally subdued; but the possibility of being a passenger on a vessel of which the cargo is attacked by fire is not pleasant to contemplate. If the other steamship companies follow the course which the Inman is said to have taken, the danger would come to an end speedily; or if it did not, the passengers would have only to signify their will to have it removed.

A piebald manifesto has been issued by the German Socialists, the colors of which are political and social. Universal suffrage is political, but all the rest belongs to the socialist creed, and even the political lever is only wanted as a means of accomplishing socialistic changes. A tax on capital and on succession, in the mouth of a Socialist, has a meaning different from that ordinarily attached to such taxes. The suc-

cession tax is intended to be used as a means of converting private into public property. The tax on property which is suggested is probably put in a progressive form. Both are supplements to Henry George's scheme, to which they naturally belong. Socialism aims at taking all private property from individuals and giving it to the State as trustee for the social democracy. The abolition of law fees and medical charges, in other words the creation of State lawyers and State doctors, paid at the common cost, belongs to the socialist theory in its more developed form. In America the socialists move more carefully. At present they talk only of confiscating the land, and Mr. Single Tax makes fantastic efforts as a minimizer, his great object being to keep the other parts of the socialistic plan out of sight. But his European kinsmen will inconveniently go on showing what the socialistic programme, when fully developed, really means.

A fall in Russian securities occasioned by the prospect of a poor harvest, is a confirmation of the fact that an average yield of wheat in that country cannot reasonably be expected. The price of this grain is likely to rule high during the next year, and the countries which have a surplus for export will benefit accordingly, while importing nations will have to submit to the inconvenience of having to pay an extra price for the loaf. Outside of Manitoba and the North-West, Canada is not now a great wheat-exporting country; and the principal surplus which will be available for export will be in Manitoba and the Territories. The quality of our western wheat takes first rank and commands better prices than the wheat of most other countries. If the wheat crop of western Canada be harvested in good condition, a great impetus to settlement there will be given. The United States boasts of the largest crop this year which the Republic has ever produced.

Sir Richard Cartwright, the other day, raised the point about the Bank of Montreal bidding against the Government, whose agent he described it to be, for deposits, an act which he seemed to regard as anomalous. Deposits belong to those who can best attract them; they are purchasable things in market, and they are likely to go where the best rate, or the best security or a combination of both, is offered for them. It is quite true that the banks generally complained that the Government, before it reduced its rate, paid too much for deposits. But what may be too much for the Government to pay, as a rule, may not be too much for the banks to pay when money is worth a little more than the usual rate. A preference is given by many to Government security, and a difference of rate is a means of evening-up. The preference is not necessarily justifiable, but when it exists it has to be taken into account. By means of an inequality of rates the banks have not drawn more than two millions from the Government savings banks, according to Mr. Foster. There is nothing implied in the agency of the Bank of Montreal which forbids it, by any fair

process of reasoning, from seeking to attract deposits by a slightly higher rate than the Government pays. The broad view of the question leads us to ask in what way can Canada borrow on the best terms? If through the Government, it should borrow in the way that will cost the country least. But if the Government thinks that it owes other duties to depositors, to offer them Government security, if they prefer it, this consideration must also be taken into account.

A bill to amend the North-West Territories Act, which has not been working well, is again introduced. Besides abolishing the Advisory Board, it deals with two questions which required adjustment. The Governor refused to acknowledge the right of the Legislative Assembly to direct the destination of the subsidy paid to the Territorial authorities by the Dominion, and the right of local legislation on the liquor traffic was denied. On both these points the Legislative Assembly demanded the right of free action, which is now proposed to be granted. It is made illegal for any one not having a personal permit to have liquor in his possession; this may be regarded as a temporary provision intended for use till the local legislative authority shall make a local law regarding the sale of liquor. From the known opinion of the legislators, it is not a matter of doubt that a license law will be enacted, though it is possible that some preference may be given to the sale of beer or spirits.

One result of the remission of the sugar duties is that, this year, railway grants will have to be suspended. If this indicated a new policy, there would be something to be said in its favor, but Mr. Abbott tells us that the policy remains the same, and only shortness of revenue is to be set down as the reason of the suspension of these grants for a single year. When the grants are resumed, there will, as there should have been now, a question of the source out of which they are to come. If the sugar duties be not then revived, others will have to be substituted for them. Then at least the wisdom of the remission from the revenue point of view will have to be considered; the trade view of the matter does not involve a revenue consideration. If, in a future session, perhaps next session, we are to have more taxes laid on to make up for the loss of the sugar duties, are we to look for higher protectionist duties? This would be to follow the McKinley programme adopted in the United States, and it would not be in the public interest.

Lord Salisbury, it is now affirmed, has made up his mind to grant to Ireland a measure of Home Rule, in the form of Provincial Councils, such as were some time ago proposed by Mr. Chamberlain. But before this is done, there will be a general election, at which the proposed change can be passed upon by the electorate. The Irish Land Bill of this session is to pave the way for the proposed measure of Home Rule. These measures, it may be taken for granted, will not satisfy the Nationalists.