

A prominent feature of the election declarations is the qualified support which several candidates are giving to the Government: in accepting its tariff and general policy, they make an exception in the matter of remedial legislation. This is a reproduction, before the constituencies, of the attitude of several members in the House of Commons, last session. There the Government majority was large enough to admit of these exceptions, without proving fatal to the degree of parliamentary support which was necessary to the Government. This margin will require to be maintained in the elections, if the Government is to hold its own, and the great problem of the contest is whether this will happen. If the answer be in the affirmative, the Government policy on tariff and schools will be sustained. If the Government should have a majority only on its general policy, apart from remedial legislation, it would have suffered defeat on the item which was made a distinct issue, and it is difficult to see how it could, in that event, retain office. It could only do so by abandoning remedial legislation, and the nature of its organization would make this impossible. Still, something not foreseen might possibly happen. In case of a change of Government, there is no certainty as to what would be done with the school question; what we know, and all we know, is that, in that event, a commission of enquiry is promised. On the tariff question, the platform of the Opposition makes a revenue tariff the ultimate aim; but there are no indications that haste would be made in the movement towards its realization. The advocates of a revenue tariff are not giving special prominence to this plank at present.

#### BRITISH TRADE WITH THE COLONIES.

A prize of a thousand guineas offered by the London *Statist* for the best essay on Imperial Customs Union, brought 186 competitors into the field. But none of the essays was deemed so much better than all the others as to deserve the undivided sum. An equal division of the amount, as marking equal merit, was made to Mr. J. G. Colmer, C.M.G., chief clerk in the office of the Canadian High Commissioner, and Mr. R. S. Ashton, a Kentish man. The first essay published is that of Mr. Colmer, giving it so far the primacy. The essayist shows that British and Irish trade with the colonies is increasing much faster than that with foreign countries; and that the colonies are, relatively considered, much the better customers. It is assumed that preferential treatment is a necessary part of commercial federation, and that the preferential duties would affect about eighteen different articles. But they should be so small—about 3 per cent.—as not much, if at all, to raise the price to English consumers. It is difficult to see what would be the value of a discrimination, if it did not, in effect, discriminate; but it is admitted that a duty on foreign produce would be inappreciably increased. Surely, to say that prices would not be increased to an appreciable extent implies a contradiction. If the increase were inappreciable, it is difficult to see how it could serve any purpose, useful or otherwise. If colonial productions were large enough to dominate the English market, foreigners would, in order to get access to it, have to take a somewhat lower price. But, as Mr. Colmer says, if duties are permissible on tea, coffee, cocoa and tobacco, it may be justifiable to put them upon other articles of food. The argument is, however, not quite conclusive, since bread is a more essential article of food than tea, coffee and cocoa, while tobacco, whatever its function, is not an article of food at all. In return for this three per cent. preference, the colonies, acting separately, it is suggested, might make a preference in their tariffs in favor of

the Mother Country. This method, in so far as it looks to the preservation of the autonomy of the colonies, will commend itself to the outlying portions of the Empire. In some way, this scheme would create a defense fund of about half a million sterling a year, which could be used to strengthen weak points in the Imperial armor. The creation of a colonial council composed of representatives of the colonies and the Mother Country is suggested. Objection to the proposed three per cent. discriminating duty on foreign goods is more likely to come from the masses in Great Britain than any objection from the colonies, though in the colonies discrimination would not escape criticism.

#### FINANCIAL REVIEW.

We give below a condensation of the figures of the statement of Canadian banks for the month of April. It is compared with the bank statement for the previous month, and shows capital, reserve, assets and liabilities, average holdings of specie and Dominion notes, &c.

##### CANADIAN BANK STATEMENT.

| LIABILITIES.   |               |               |
|--|---------------|---------------|
|  | April, 1896.  | March, 1896.  |
| Capital authorized.....                                | \$ 73,458,685 | \$ 73,458,685 |
| Capital paid up.....                                   | 62,198,413    | 62,196,536    |
| Reserve Funds.....                                     | 26,463,799    | 26,458,799    |
| Notes in circulation.....                              | \$29,654,973  | \$30,789,457  |
| Dominion and Provincial Government deposits.....       | 5,740,579     | 6,316,801     |
| Public deposits on demand.....                         | 60,859,928    | 59,874,493    |
| Public deposits after notice.....                      | 120,644,617   | 120,699,562   |
| Bank loans or deposits from other banks secured.....   | 12,438        | 20,500        |
| Bank loans or deposits from other banks unsecured..... | 2,229,816     | 2,502,104     |
| Due other banks in Canada in daily balances.....       | 77,885        | 83,321        |
| Due other banks in foreign countries..                 | 165,531       | 135,817       |
| Due other banks in Great Britain.....                  | 5,858,794     | 5,052,394     |
| Other liabilities.....                                 | 421,839       | 596,296       |
| Total liabilities.....                                 | \$225,666,491 | \$226,070,832 |
| ASSETS.  |               |               |
| Specie.....  | \$7,807,640   | \$ 7,797,099  |
| Dominion notes.....                                    | 13,558,394    | 12,737,996    |
| Deposits to secure note circulation....                | 1,814,624     | 1,816,011     |
| Notes and cheques of other banks.....                  | 6,356,607     | 6,341,636     |
| Loans to other banks secured.....                      | 12,806        | 15,500        |
| Deposits made with other banks.....                    | 2,950,317     | 3,273,695     |
| Due from other banks in foreign countries.....         | 16,435,069    | 16,400,267    |
| Due from other banks in Great Britain..                | 5,036,575     | 4,417,380     |
| Dominion Govt. debentures or stock                     | 2,993,003     | 2,991,549     |
| Other securities.....                                  | 19,804,426    | 19,877,893    |
| Call loans on bonds and stock.....                     | 13,371,072    | 13,849,628    |
|  | \$90,140,533  | \$89,519,654  |
| Loans to Dominion and Provincial Governments.....      | 564,286       | 462,743       |
| Current loans and discounts.....                       | 210,292,087   | 211,603,718   |
| Due from other banks in Canada in daily exchanges..... | 77,885        | 107,153       |
| Overdue debts.....                                     | 3,706,184     | 4,344,192     |
| Real estate.....                                       | 2,152,048     | 1,485,358     |
| Mortgages on real estate sold.....                     | 557,781       | 582,288       |
| Bank premises.....                                     | 5,652,483     | 5,655,524     |
| Other assets.....                                      | 2,191,847     | 1,931,452     |
| Total assets.....                                      | \$315,410,893 | \$315,691,276 |
| Average amount of specie held during the month.....    | 7,830,507     | 7,780,843     |
| Average Dominion notes held during the month.....      | 12,801,770    | 12,787,159    |
| Greatest amount notes in circulation during month..... | 31,828,032    | 31,521,232    |
| Loans to directors or their firms.....                 | 7,942,639     | 7,936,789     |

The bank statement for the 30th of April indicates a small improvement over the previous one in the direction where improvement was most needed, that is, in the reduction of loans and discounts. The reduction is not great, being less than two millions in a total of \$287,000,000; but it is a good indication as far as it goes, and the turn in the right direction may be continued. If continued, it will doubtless prevent much mischief that might have arisen