

No such law exists in Toronto, the capital of the province of Ontario. On the surface of things, therefore, the people of this province have no special interest in the Manitoba case. But they are in fact peculiarly concerned. For the party now in power here is understood to be pledged to enact a law like that of Manitoba. It has so far successfully parried the demands of the prohibitionists by referring to the action of the Canadian courts nullifying the Manitoba act. But that excuse will no longer serve. Under the decision of the privy council the dominant party of Ontario is, in the expressive vernacular of the smoking-room, "plumb up against it." Its leaders must deny their pledges, or repudiate them, or skillfully evade them, or become responsible for a prohibitory measure. Whichever horn of this dilemma they choose, they are very likely to be gored.

Dominion politics have reached that stage, so familiar in the politics on our side, where the party in power and the party out of power are devoted, one to the vicious principle and both to the more vicious practice of protection.

The party in power, the Liberals, with Laurier at their head, were elected, as President Cleveland was the second time, upon the free trade side of the tariff issue. Laurier is himself a free trader. But, as President Roosevelt (see Poultney Bigelow in *Contemporary Review* for October) declared himself to be a Republican (with protection) first and a free trader afterward, so the Laurier government of Canada has turned out to be for the government and "vested interests" first, and for free trade some other time.

To a political reform which may prove, simple and modest as it appears, to be potent and far reaching, the legislative committee of the Toronto city council has become foster father. This is the system, familiar in Australia, which is known as proportional representation. It gives representation in public bodies to public policies in proportion to their popular strength. Having that system in view, the legislative committee of the Toronto city council has reported in favor of the following changes in the city government:

(1) That the wards be abolished, and the number of aldermen be reduced from 24 to 12, to be elected from the city at large on the Hare-Spence system of proportional representation.

(2) That the school trustees be reduced from 24 to 12, and be elected in the same manner.

This proposition has yet to be dealt with in the council, but it is strongly supported by the labor and social reform organizations, which wield no little influence in Toronto, and its adoption is hoped for with confidence. If put into operation, genuine minority representation in the council would be secured, and the example of Toronto would doubtless be followed soon on both sides of the line.

Toronto is distinguished as the home of Goldwin Smith. Once professor at Oxford university, where he was the special instructor in history of the present king of England, and later a professor at Cornell university, where he is the sole survivor of ten annual lecturers appointed early in the history of the institution, he is affectionately regarded as a personal friend by many men on both sides of the Atlantic who in their college days came directly under his ministrations as a teacher. A ripe scholar, he is respected wherever his name is known; and that is wherever good English is read. A man of broad but intelligent sympathies, of high ideals, and of democratic instincts, and withal a tireless worker, he has contributed to the development of democratic thought in a degree which under any circumstances would be extraordinary but which to a man of his lifelong environment is positively exceptional. Though now in his eightieth year, his writings are marked with the vigor of a man of forty. His intellect is undimmed, his physical powers are wonderfully preserved, his energies do not flag, and his interest in vital public questions is still afire.

The home of Goldwin Smith is "The Grange," a large, rambling house, surrounded by spacious grounds, where great old elms stand guard. This house is the first ever built in Toronto, dating back to 1817, when Toronto was Little York. In its cozy rooms the jolly good fellows of the old Canadian ring, the "Family Compact," corrupt product of London's Downing street, caroused and ruled. Prof. Smith's characteristic sympathies are emphasized by a collection in his dining-room here, of oil portraits, copied from various portrait collections, public and private, of the heroes of the Cromwellian revolution.

Among the activities of this democratic sage of two continents is a regular editorial contribution to a weekly paper — the Toronto Sun

—the general editorial writing for which is done by Mr. Gregory, a young Toronto lawyer, who is in thorough sympathy with his chief. Prof. Smith's contributions consist of a weekly series of editorial paragraphs on the serious side of contemporary history. Here he gives unrestrained expression to his views on public questions, under the pseudonym of "Bystander." Even those restraints of a magazine article which are due to limitations of subject, are absent from these products of his editorial pen. The Toronto Sun has a wide circulation and of course a great influence.

It need hardly be added that Goldwin Smith is too true an Englishman to approve the British invasion of Boer land, too friendly to America to be complacent over the American invasion of the Philippines, too sound a democrat to sympathize with the dominant plutocratic influences in British and American politics which have produced these two invasions, twin sisters of imperial iniquity, and too brave a man to evade censure by concealing his opinions about them. L. F. P.

NEWS

When the news reports for our last issue were written, Judge Grosscup, the federal circuit judge for the circuit which includes Illinois, had issued a restraining order (p. 519) prohibiting the Illinois board of tax equalization from obeying the mandate of the Illinois supreme court with reference to the taxation of the franchise values of two Chicago street car companies. He had granted this order pending the decision of a motion for injunctions of like tenor in two suits which these companies had brought in the federal court, argument upon the motions to be heard at Springfield, before himself and Judge Humphrey, the district judge for the Southern District of Illinois, on the 21st. Prior to the argument upon that day, the city of Chicago made application to be allowed to join in the defense in these injunction suits. The reason it gave was that the plaintiffs (the street car corporations), and the defendants (the members of the board of equalization), were acting in collusion. The application was denied, upon the ground that no proof of collusion appeared; but with an intimation from the bench that if it should appear in the future that the city's rights were being jeopardized,

it would be made a party. Upon the denial of this application, argument upon the motion for the injunctions proceeded; and on the following day the injunctions also were denied.

But the reason given for denying the injunctions was that the application was premature, the board not yet appearing to have made a discriminating assessment. The federal judges accepted jurisdiction under the fourteenth amendment to the federal constitution, Judge Grosscup saying:

Where a tax is threatened under a law obnoxious to the constitution of the United States or so discriminative between taxpayers of the same class as to be obviously the result of fraud, and therefore unequal within the meaning of the fourteenth amendment to the Constitution of the United States, resort may be had to the federal courts in the first instance where the remedy asked is the restraint of a ministerial act, and especially so where no issues are involved except those that arise under the Constitution or laws of the United States.

Having laid down that general principle of federal authority to regulate state taxation, Judge Grosscup entered into an exposition of the merits of the particular case, concluding that—

the state courts could not have acted differently in deciding the mandamus suit.

The denial of the injunction was therefore made with permission to renew the application if the "board of equalization, through pique or under the lash and spur of some power, or through personal fear, or moved by any other consideration than the impartial and independent discharge of its own duty, attempts to certify an assessed valuation that in its effect would be a fraud upon any taxpayer." The federal judges would assume, he said, that the board would be just, "as the state wishes it to be, irrespective of the past and without impartiality," until the contrary had appeared.

Immediately upon the announcement of this decision, which dissolved the restraining order as matter of course upon denying the injunction, the board of equalization met and assessed, for the year 1900, the capital stock of the two companies, the "Union Traction" and the "Consolidated Traction" (for descriptions of which see pp. 519-20), at \$11,973,690 for the former and \$15,505,177

for the latter. Following is a comparison of these assessments with those originally made for 1900 by the board and those demanded by the public school teachers, who contested the original assessments:

| | Union Consolidated | |
|--------------------------|--------------------|------------|
| | Traction. | Traction. |
| Original assessment..... | \$ 3,000,000 | \$ 600,000 |
| Teachers' demand..... | 74,022,500 | 19,800,000 |
| Revised assessment..... | 59,868,450 | 17,667,436 |

The full value assessment, therefore, of these two corporations, is \$77,525,885. But under the Illinois laws property is taxed upon only one-fifth of full value. Consequently the tax basis is \$15,505,177. This yields a total taxation basis for 1900 for the 20 corporations against which the public school teachers proceeded, the others having been reassessed on the 20th (p. 520), according to corrected figures, of \$32,733,457. The basis demanded by the teachers when they began their fight was \$42,531,055, or only \$9,797,598 more than they have now secured. How important their victory is may be seen by considering the probable increase of revenue from this source. The increase to be paid for 1900 is estimated at \$2,291,321. If made on the same basis the tax for 1901 will be the same amount, making a total increase for the two years of \$4,582,642. Of that amount about \$25,000 belongs to the state and the remainder to Cook county, Chicago's share of the increase aggregating about \$570,000 a year.

Questions of railroad consolidation are looming up concurrently with the expansion of the tax question, the immediate cause of this revival of opposition to railway monopoly being the purchase by the Northern Securities Co., of New Jersey (p. 505), of the stock of the Northern, the Burlington, the Northern Pacific and other railroad systems controlling traffic west of the Mississippi river. Immediately after this centralizing movement became known, Gov. Van Sant, of Minneapolis, announced his intention of fighting it. In pursuit of this purpose he has invited the governors of all the affected states which have laws like those of Minnesota prohibiting the consolidation of parallel and competing lines, to meet him in conference. He believes that the real object of organizing the Northern Securities company, with power to buy the stock of other companies, is to evade the laws by accomplishing in a round-about way the consolidation which cannot be accomplished directly because the laws forbid it; and he says that when this purpose is under-

stood by the courts the evasive proceedings will be brushed aside and the laws be carried out according to their intent. Gov. Savage, of Nebraska, has indicated his willingness to confer in response to Gov. Van Sant's request, and to join in proceedings against the railroad combination. So have Gov. Geer of Oregon and Gov. Toole of Montana. But no arrangement for the conference has yet been effected. Irrespective, however, of action by the other states, Gov. Van Sant intends that Minnesota shall act. He is now in conference with the attorney general with a view to bringing proceedings in the courts, and upon consultation with senators and representatives has decided to convene the legislature in extra session at a time not yet decided upon.

That this activity in opposition to further monopolization of the great highways of the continent is disturbing the railway conspirators is probable from the fact that the presidents of all the western railroad systems are about to meet in special conference in New York city. The date for their meeting is December 5.

Another species of monopoly interests found expression at the conference on reciprocity, called by the National Association of Manufacturers and which met at Washington (p. 521) on the 20th. One free trade delegate, A. B. Farquhar, a Pennsylvania manufacturer, struck a discordant note. Almost without other exception the sentiment of the convention was against disturbing the tariff otherwise than by reciprocity treaties which shall admit no imports that would compete with domestic products. Two series of resolutions were adopted. One recommends to congress—

(1) the maintenance of the principle of protection for the home market and to open up by reciprocity opportunities for increased foreign trade by special modifications of the tariff in special cases, but only where it can be done without injury to any of our home interests of manufacturing, commerce or farming; and (2) the establishment of a reciprocity commission, which shall be charged with the duty of investigating the condition of any industry and reporting the same to the executive and to congress, for guidance in negotiating reciprocal trade agreements.

The other resolution requests of congress—

(1) that a new department be created to be called "the department of com-