seek the extension and popularization of the use of the telegraph. A statesman may also distinguish himself by a comprehensive measure regarding the opening up and peopling of the North-West country, or by his conduct in connection with the building of a work of such national importance as the Intercolonial Railway, or he might creditably identify himself with that other stupendous work, the enlarging of our canals so as to secure an adequate portion of the boundless trade of the Western States. The assimilation of the laws of the various Provinces - Lower Canada excepted for the present—is a work that would keep a statesman's name alive long after he had passed away. In the various Local Legislatures there will be enough of real work to do to make the character of the demagogue contemptible. In both the Federal and Local Parliaments there will be abundant opportunities for members honorably to distinguish themselves and to confer great benefits on their country. On the other hand, there will be some opportunities favorable to the development of sectionalism and sectarian strife. That the demagogues and the ill disposed will seek to make the most of these occasions there is too much reason to fear. But to counteract this we must rely on the good sense of the members generally and the people generally. We are all here in British America a poor, practical people, struggling to better our condition and to lay the foundation of a new nation. Party feuds, party nicknames, frothy declamation, and old sores will not enable us to carry out this glorious programme. In the name of Heaven, then, let by-gones be by-gones, and let us henceforth, as one man, devote all our energies and talents towards the true national and patriotic policies of the New Dominion.

THE COURSE OF INTERCOLONIAL THROUGH TRAFFIC.

WE have frequently heard the point raised for discussion, as to whether St John or Halifax is likely to prove the most favorable point of departure for the traffic of the Intercolonial Railway, and as the matter is one of considerable interest and importance, we propose devoting a little space to the consideration of the subject. We must premise that we have no wish whatever to play off one city against the other, both have their advantages, and perhaps their disadvantages, our only object is to point out the direction in which they lie. We think then it may be taken for granted that the unrivalled natural advantages of Halifax in point of position, will secure beyond the possibility of doubt, the great bulk of the passenger traffic both going to Europe and returning. It will also be likely to secure nearly all that class of light freight which always seeks the shortest or at least the quickest route. But there will be an immense quantity of freight to be conveyed both ways which will naturally seek for the cheapest way of conveyance, and for this we think the port of St John is in a position successfully to compete. Let us first take the question of distance. If the road should be taken by the North Shore route, the distance from Quebec to Halifax will be 656 miles, and from Quebec to St. John, 5[illegible]5 miles. By what is called the Western route, the distance to St John will be 411 miles. We will take the mean between these two extremes, and set down the distance between Quebec and St John at 493 miles, or 163 miles less than the shortest route to Halifax. This of itself will be quite sufficient to draw a very considerable portion of the traffic to St John, 160 miles of railway carriage is something considerable to save. It is not either as though a railroad to St. John had to be constructed, that question is already decided, and whichever way the Intercolonial may go, it must of necessity intersect at some point or other the St. John and Shediac line, and if it can be shown that it is not counterbalanced by other things of a disadvantageous character, there can be little doubt about which way the bulk of the heavy traffic will go. We think it can be so shown. The harbor of St John is easy of access at all seasons of the year, it is never impeded by ice, and though not so large as that of Halifax, yet it is amply large enough to accommodate two or three hundred sail of vessels, and ships of any capacity can enter and load with perfect safety. We are perfectly aware that the Bay of Fundy has a bad name, a far worse name than it deserves, as the very few casualties reported, and the current rates of insurance will fully shew. The [illegible] rates of insurance between St. John and the United Kingdom, are 1¼ per cent., or the same as between the United Kingdom and the United States. The magnificent ships of the Montreal Ocean Steamship Company have frequently loaded in the port, and we have the authority of Hugh Allan, Esq., the President of the Company for stating that as far as his experience went, there was not the slightest difficulty in going into or out of St. John. There is also the great additional advantage in favor of St. John, viz., that vessels coming there can always at any period of the year be certain of a return freight of deals, if there should not be any western freight offering. This is an advantage which Halifax does not possess. Again as regards facilities for repairing vessels, St John has a decided preference, and in all matters relating to the quick discharging of cargoes, and indeed for general promptitude in business matters, is at least on a par with Halifax.

Thus far we have been speaking of the traffic between Canada and Europe, we will now turn to the West Indian and South American trades. Halifax has for years done a large business principally in fish with these countries. St. John has lately commenced to do the same in lumber and other products, and there can be no doubt, that the Provinces of Ontario and Quebec, will also seek to do a direct trade, as soon as the construction of the Intercolonial Railway affords the necessary facilities for getting to the sea during the winter season, which is the only time of the year when this business can be safely carried on. For this business St. John offers unquestionable advantages; independently of the saving of distance, the facilities for making up assorted cargoes, and filling up at any time with lumber, must necessarily give it the preference.

These are a few of the reasons why we think that St. John may reasonably look forward to doing a large share of the freight business which must pass over the railway, there are many others which time and opportunity will make apparent. In conclusion, there is one important point to which we would wish to call the attention of the people of St. John, and it is this: that if they desire their city to participate to the full in all the benefits due to its natural advantages and position, they must bestir themselves. Events march onward pretty fast now-a-days, and the prize now within their reach may easily slip from their grasp for want of a little foresight and public spirit. The rotten and tumble-down wharves which now disgrace the harbor should be replaced by more substantial erections, and on some systematic plan; there is abundance of room if only the most were made of it. If private rights stand in the way, they must succumb to the public good. The railway terminus, as at present situated, is quite inadequate to the requirements of anything except a lumber traffic, and it will have to be extended to deep water, and suitable sheds and warehouses erected for the storage of goods. A properly constructed dry dock is also much needed; but this is an undertaking which might be very well carried out by an individual or a company, and we should suppose would be very profitable.

The means by which these and similar improvements are to be effected of course rests with the people of St John themselves. If the existing authorities are competent to carry them out, well and good, but if not, we would suggest that the affairs of the harbor should be placed in the hands of a properly constituted Trust or Commission, with powers to raise money for the necessary purposes. A very large proportion of the revenue of the city of London, available for the improvement of the navigation of the Thames, is derived from a tax on coal of one penny per ton. Might not something of the same kind be made to yield sufficient to pay interest on a considerable amount of St John Harbor Bonds?

LETTER FROM ENGLAND.

COMMERCIAL REVIEW.

(Special Correspondence of the Trade Review.)

[PER RUSSIA.]

THE Bank of England's minimum rate of discount has been reduced this week to 2 per cent., but it may without any exaggeration be said that the effect of this measure, either on general trade or on the Stock and Share Markets has practically been nil. The Bank rate has never been lower than 2 per cent., and only on two former occasions has it been so low, viz. on 26th June, 1852, when this rate lasted for 28 weeks, and again on 27th July, 1862, the rate was lowered to 2 per cent., and it remained at this for 18 weeks. The following is a comparative statement of the chief figures in each of these returns:—

	July 27, 1867 £	July 27, 1862. £	July 28, 1852. £
Public Deposits	4 697 000	5,291 000	7,597,000
Private Deposits	20 776 000	17 203 000	12,831,000
Government Securities..	12,831,000	10,953,000	13,8[illegible]
Other Securities	17 248 000	19 582,000	13,755,000
Circulation	24 603 000	22 203 000	22,611 000
Specie	22 772,000	18 061,000	22 043 000
Reserve	13,769,000	10,608,000	14,[illegible]00,000

These figures illustrate how great a change has come over the Bank of England and the business of the country in the last 15 years. In that time the private deposits have increased nearly £8,000,000, and a considerable portion of this increase is to be found in the large amounts which other banks, especially in London, leave in the hands of the Bank of England. The other securities have increased nearly six millions and a half, and this mainly represents the increased business which the Bank now does with the merchants and traders of England. It will be seen also that the circulation of the Bank of England continues very high. I ventured to predict at the time of the last panic that this would be the case, as bankers and others would keep (after the warning they had received) a larger amount of "legal tender" than they had ever done. Whilst commenting upon the Bank of England returns, I may be allowed to refer to the smallness of the public deposits of late years. The nation has been able to keep upon an average a smaller balance proportionally with the Bank than formerly, and although this is an undoubted advantage, still, probably, during the crisis of last year it had an unfavourable effect upon the Money Market.

The great firms of Peto, Betts, and Co., and Peto, Betts, and Crampton, have gone into bankruptcy, and a meeting has been held for the appointment of assignees. Last year when they suspended payment, it was stated that there would be a surplus of at least a million. This year, independent of the claim of the London, Chatham, and Dover, there is understood to be an admitted deficit. The liabilities of the two firms are about 2½ millions, and the claim of the London, Chatham, and Dover is for nearly 6¾ millions in addition. This claim is said to arise entirely from the fact, that Sir Morton Peto and his partners were at once contractors for making the line and provincial agents for finding the money. In the one capacity they received various securities—bonds, shares, &c.—for the amount of work done. In the other, they sold these securities for whatever they would bring in the open markets. The railway now contend that the difference in price should be borne by the bankrupt firms, whilst the latter insist that they should only be debited with the shares at the market price. How the judges will settle the matter it would be impossible to say, but the whole transaction is a proof of how careless and reckless men are in the largest and most important transactions as well as in the ordinary and every-day walks of business.

The scheme to create a "preference stock" has finally collapsed. As every one knows there are various classes of creditors, and various classes of shareholders in the several lines of railways. In the recent discredit attaching to nearly all the lines, it was found in some cases that money could not be obtained to complete the necessary works, provide the rolling stock, and generally to put the lines in proper order. Under these circumstances the railways could not be expected to really earn anything like what they ought to do, and it was suggested that it would be to the interest of all parties to raise money for this purpose, and this should be done by giving a preference to the new lenders. To do so, however urgent the necessity, would be to sacrifice to a greater or less degree existing interests, and ultimately the measure has been defeated before a committee of the House of Commons. How the difficulty would be finally met it would be impossible yet to say, but there would seem to be two different plans which might be applied to different cases. When the concern is really a sound one, and when the discredit is only a temporary one, the plan of the Great Western might be tried with good effect. In this scheme the Directors pay in weekly to the Bank of England such a proportion of their earnings as will pay the dividend on their debentures, and by an extension of this scheme, money could no doubt be raised to complete all necessary works. The public are at present unduly alarmed, and no doubt the allocation weekly of the interest on debentures to a special and separate fund would have the best effects. In cases where the line is thoroughly gone to the bad, the most practical remedy seems to be that the admin-