

Why have the people curtailed their purchases? Is it not because they lack the means to buy with. I think that your remedy, *economy by the people*, is totally misapplied; if you were to say *economy by the Government*, then I think that you would be pretty near to the mark.

Would you be kind enough, Mr. Editor, to explain to us how it is that we have any right to be taxed here, say in Ontario, to build a railway across the *Rocky Mountains*. Will this railway ever benefit us any after it is built? Will you also explain how it is that our loans from Great Britain must necessarily come into the country in the form of goods. And, if so, what becomes of our exports?

I am respectfully,
IN P.A.S.

PERTH, Ont., 23rd June, 1880.

[We shall endeavor to reply to our correspondent's letter as to the Pacific Railway. All that we need say at present is that the Dominion pledged itself to build it, in order to bring British Columbia into the Dominion, and thus consolidate British North America from the Atlantic to the Pacific. It is a rule of universal application that the imports of a borrowing country will exceed the exports. The loan is made in gold or its equivalent. If we received the gold we would pay it back for our railroad iron, and for the commodities used by those engaged in the construction of our works. The food consumed by such persons causes a diminution of our exports, but the producers of that food must be supplied with their tea, sugar, clothing, hardware, &c., &c. We admit that there should be economy on the part of the Government, as well as individuals, but upon our correspondent's view of the matter the Government should stimulate trade by extravagance. It is difficult to assign all the causes of the depression, and we have not pretended to do so. We have admitted that the chief cause was the great inflation in the price of goods, and of real estate, and, as a consequence all kinds of stocks. The reaction which led to shrinkage in the value of everything, was the main cause of the insolvencies; but, unless those with the best means of information are greatly mistaken, the customers of our traders have bought more than they were able to pay for. Our correspondent may be assured that an activity in business caused by people buying what they cannot pay for will result in ruin to both buyer and seller.—E. J. of U.]

FIRE RECORD.

ONTARIO.

Ottawa, June 27.—Steamer Francis, owned by Thos. Kirby, burned. Loss \$5,000; insured for \$4,000. *Ernestown*, July 4.—Dwelling and outbuildings of N. Bicknell destroyed with contents. Loss about \$2,500; building insured for \$1,250 in the Liverpool and London and Globe. Contents for \$450 in the Watertown Agricultural. *Aberfoyle*, G.—Barn of James Patterson with contents destroyed. Loss \$1,700; insured for \$700 in the Paslinch Mutual.

QUEBEC.

Quebec, 24.—Stables owned by Mr. Martin, St. Lewis suburbs, destroyed. *Montreal*, July 7.—Stables of Joseph Christin & Co., soda water manufacturers, totally destroyed, together with six horses. Loss \$2,000; partially insured.

NOVA SCOTIA.

Richmond, June 29.—Grocery and dwelling occupied by M. Fitzgerald destroyed, together

with contents. *Salisbury*, July 3.—Gray & Wheaton's saw mill destroyed together with a large quantity of lumber and shingles. The mill was leased by Messrs. Johnson & Milton who owned part of the lumber destroyed. Loss on mill \$10,000; insured for \$3,000.

Financial and Commercial.

GENERAL MARKETS.

THURSDAY, July 8th, 1880.

The markets now appear to be in a thoroughly healthy state, and as the season advances, highly favorable weather continuing, the assurance of a bountiful harvest is more and more confidently entertained, and business plans are laid accordingly. Rather too much rain in some sections has given rise to talk of rust, but damage from this cause is small in extent, and not serious where it has occurred. The business of the week has been fairly active for the season. Hardware men are busy supplying the country with harvest tools; the dry goods trade is actively engaged receiving fall stock and preparing travellers for the road; leather dealers report a more lively inquiry for their goods; the boot and shoe houses have fairly entered upon the season's work and are pleased with the results thus far attained; provision men, though puzzled, are carrying on an animated trade, except for butter, which is quiet; grocers are witnessing strength and activity in their staples, and altogether the situation is regarded as satisfactory now, and big with promise. The abundant supply of money continues, and borrowers on good security are accommodated almost on their own terms. Nominal rates are 3 to 5 p. c. for call and short time loans, and 6 to 7 p. c. for discount of first class commercial paper. Sterling exchange is done at 8½ to 9 p. c. premium, according to character of demand. New York quotations are \$4.84½ to \$4.84½ for bankers' 60-day bills and \$1.82½ to \$4.83 for commercial. A large business has been done on the Stock Exchange notwithstanding three days vacation, and the whole share list has sustained a vigorous upward movement, led by Montreal Telegraph. The general causes adverted to above are the most satisfactory explanation offered of the present tendency of prices, although some portion of the advance now noted is doubtless due to the hurry of bear operators to cover up their shorts. The following is a summary of the business of the week: 211 Bank of Montreal at 133½ to 133; 433 Ontario at 78 to 78½ to 77½; 141 Peoples at 74 to 75; 392 Merchants at 95 to 96¼; 85 Commerce at 121½ to 122 to 121½; 5 Molsons at 85; 2 Exchange at 40; 36 Toronto at 130; 2384 Montreal Telegraph at 98 to 102 to 101½; 43 Dominion Telegraph at 64 to 65; 12 City Passenger Railway at 104; 545 City Gas at 125 to 126¼; 50 Richelieu Navigation at 39. Strength and activity have continued to-day, Montreal Telegraph keeping the lead, and tallying a further advance of 3 per cent. Recorded sales are as follows: 39 Bank of Montreal at 139 to 139½; 160 Ontario at 78 to 78½; 27 Peoples at 76 to 76½; 234 Merchants at 96½ to 97; 32 Commerce at 122 to 122½; 629 Montreal Telegraph at 102 to 105; 60 Richelieu Navigation at 39½ to 40; 29 City Passenger Railway at 103; 60 City Gas at 126½ to 127½, and \$6,000 Montreal 6 p. c. bonds at 102½.

ASHTS.—Receipts of Potash have been fair. Since our last report, dated 25th June, First Pots have sold at \$4.85 to \$4.90, declined to

\$4.25 to \$4.35, and are again selling at \$4.45 to \$4.50. Stock as before nearly all in one hand. Seconds though scarce are neglected at \$3.50. *Thrills* none. *Pearls*.—Sales of 29 barrels first sort on private terms. Receipts since 1st Jan., 5,078 barrels Pots, 733 barrels Pearls. Deliveries—4,812 barrels Pots, 409 barrels Pearls. Stock in store at six o'clock on Wednesday evening—728 barrels Pots, 433 barrels Pearls.

BOOTS AND SHOES.—Manufacturers are more actively looking up supplies as the season advances; otherwise the aspect is unchanged from that reported a week ago. The failure of a well known house doing a driving business has arrested attention, and gives occasion for renewed expressions of doubt as to the generally sound condition of the trade. It is maintained by not a few that the disasters which took place during the years of depression, and which bore with greatest weight upon the boot and shoe men, have never been fully exposed, and that many ugly wounds still remain which only extraordinarily good times can be expected to heal. Fortunately, if this be the true state of the trade taken as a unit, the good times required appear to be at hand, and there would seem to be reason to hope that a sound and prosperous state of affairs may be reached in the near future. The assets of Young & Chapman it is said, will show a nominal surplus over liabilities, but knowing ones say the estate will pay creditors considerably less than a moiety of their claims.

CATTLE.—The market for the week has been quiet. Eight carloads were offered at the St. Gabriel market on Monday last, but sales were dull and most of the cattle were removed to the Viger market, where a better demand existed. Sales were: For good shipping 5c to 5½c. Butchers 4c to 4½c. Calves and lambs were scarce, the latter selling at from \$2.50 to \$3.50 each. Sheep \$1 to \$6.50 each.

DRUGS AND CHEMICALS.—There has been very little movement in goods in this line since our last, prices continuing firm, with some slight improvement in some lines, notably Bicarb and Sul Soda, which are higher. In England there is a decided improvement in the tone of the market, strengthened by a strike of the workman at two of the largest Tyne works. Orders are also being received freely, and higher prices are demanded and paid. By cable advices received this week we learn that Bicarb Soda has risen 10s. per ton, and firm at that. Opium has eased off a little in New York again, and waits some further manipulated reports from Smyrna to send it up again. What with reports of frost and heat, and rain and drought, all affecting the growing crop, according to different reports, we wonder there is any left at all.

Dry Goods.—Fall goods are now coming in freely both from abroad and from domestic mills, and the trade is busy stocking up. We learn of some inquiry from different quarters as to when stocks will be complete, it being the desire of the inquirers to come on and make selections somewhat earlier than usual. This may be taken as suggestive of the eager expectations of a good fall trade to which the state of the crops has given rise. Travellers are getting ready their samples and preparing to start out, and their movements give the warehouses an appearance of activity, although as to real business there is no change from the dullness of late reported. Some travellers are already on the road, but the regular exodus for fall orders has hardly yet begun. A feature of the season is the number of letter orders received, indicating the bare condition of stocks and a healthy state of trade. It is conceded that the country must be very lightly supplied with goods, as the buying for a year past has been either necessarily or from choice of the most conservative character. A concession of ½c in certain lines of cotton goods has been