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CANADA UPON THE OCEAN.

It will be within the knowledge of most of our readers that an effort was made last year to induce the Island of Newfoundland to join the Confederation, and that the project of union had gone so far that the terms of admission were discussed jointly by a deputation from the Island, and by the Canadian executive. It may not be so generally known, however, that a magnificent scheme of water communication was one of the conditions proposed and accepted, as between the contracting parties, though the dead-lock in the Newfoundland Legislature, and the short-sightedness of her people delayed, but we trust did not defeat the carrying out, at an early day, of the proposed arrangement.

Briefly stated, the scheme was this:—The Montreal Ocean Steamship Co. arranged with the Dominion Government to provide and equip a fleet of seven splendid steamers, say 2,000 tons each, which should run each way, each week, between St. Johns, N. F., the British West Indies and Liverpool, pursuing some such route as the following: Leave Liverpool for Newfoundland, thence to Halifax, where the steamer would coal; from there to a United States port to receive Canada mails for the West Indies; then to Bermuda, St. Thomas and Demerara; from Demerara the return voyage would begin, calling as before at St. Thomas, Bermuda, at the U. S. port to land mails and passengers; at Halifax to coal, and thence via Newfoundland to Liverpool.

The value of such a service to the commerce of the West Indies, with Canada and Great Britain, it is difficult to overestimate. It would foster immensely the, as yet, limited trade done by the Dominion with the Antilles, both in exports and imports. We imported in 1869 at Montreal, goods to the value of $961,970, from Cardenas, Cuba, Barbadoes and Trinidad, and all the lumber we sent to them in that time amounted to but $5,935. There is no reason, either, why our exports of lumber, wooden-ware, &c. to these Islands, should not be largely increased, or why we should not add such of their products as cocoa, coffee, arrow-root, hides, &c. to the sugar and molasses which appear to be the only articles we as yet import from them direct.

But to return to the steamers. A line of small propellors would be put on from Montreal, via Quebec to Pictou and intermediate ports, connecting by rail from Pictou with Halifax, and another line from Shediac to Prince Edward Island, Cape Breton and Halifax to act as feeders to the large line.

An enormous coal depot was proposed to be established at Halifax, and it is estimated that over 90,000 tons of coal would be required by the line in the course of a year.

The moving spirit in this really national scheme was Hugh Allan, already the originator of Canadian commercial and monetary institutions enough to have made the reputation of a dozen ordinary mortals; and with his energetic grasp upon it we look forward to seeing a second Canadian Ocean Steamship Line traversing the Atlantic at no distant day.

THE FINANCIAL POSITION OF CANADA.

It is an instructive study for the people of this young Dominion to observe the financial career of the different nations and to notice how some of the fairest and richest portions of the earth are staggering under a load of debt, which, like a mill-stone, hangs about their necks—which cripples their energies and prevents their prosperity. Nations, as individuals, have sometimes good reasons for incurring debts, but in the great majority of instances they are piled up without prudence or sufficient justification, and therefore usually bring regrets and become the rock on which the most cherished prospects are wrecked.

It cannot be said of the Dominion of Canada that the volume of our indebtedness is excessive. In fact, when a comparison is made with other countries, the amount appears to be moderate. But it must be borne in mind that the financial burdens of old and healthy nations are not true standards of comparison for a young and sparsely populated country like Canada, and since Confederation was effected in 1867, we have incurred liabilities which will run up our public indebtedness to very considerable proportions.

The date of the last statement of the public debt of the Dominion, which the writer has seen, was the month of April last, and as it was made up by Mr. Langton, the Auditor-General, it can be accepted as correct. The gross liabilities of the country were then $105,766,878. But there were assets on hand consisting of investments, cash and bank accounts, &c., to the amount of $17,395,941, leaving the net amount of debt $88,370,937. This includes $10,937,976 of surplus debt to be assumed by Ontario and Quebec, but the whole has to be paid, and should properly be taken into account.

When compared with the financial burdens of Great Britain, France, or even the United States, we cannot regard $88,370,937 as a very large debt for the people of Canada to owe. Divided among our population, less than $25 per head would sweep the whole amount off. But our neighbors across the lines would each have to contribute nearly three times as much to place themselves in a similar position. Their public debt is now about $2,450,000,000, (not to speak of the indebtedness of individual States) and dividing this sum among their population, there would require to be collected close upon $65 from each man, woman and child, to square it off. The financial position of the Dominion is, therefore, much better than theirs.

While our present national indebtedness however, is not excessive, there is some cause for anxiety as to the future. Since Confederation, our legislators have been spending very freely. Some of the measures which have passed, must entail a large increase of indebtedness, and it is to be regretted that some of the projected undertakings are not likely to return much back to the treasury in the way of interest on the money invested. The Dominion has been committed to the following expenditures:—

Intercolonial Railway	$20,000,000
Fortifications	5,000,000
North West purchase, opening, &c	5,000,000
Total	30,000,000

The expense of the first and last of these items has been incurred, and although the Government has not yet spent any of the $5,000,000 voted for fortifications, still Parliament has given its sanction to the scheme. There can be little doubt that the above un-