

the Grand Trunk will "be advantaged by better fares here and there;" which shows an intention to raise fares. He says that if the amalgamation had been in force in 1881, there would have been £87,000 more to divide among the Grand Trunk preference shareholders and £50,000 more than they have ever had to divide. Sir Henry further says, somewhat enigmatically, that the company will not desire to raise its rates and fares against Canadians; adding, "we only want to have reasonable and regular rates and fares." "Reasonable and regular," we suspect, does not mean uniform rates, according to distance. The amalgamation will not enable the Grand Trunk to raise its rate for through traffic; for here competition remains and must remain, though it may be modified, from time to time, by bargains between the various competing companies. The whole weight of whatever increase of rates may take place will fall entirely upon the local traffic. On that traffic, rates have always been highest, and always will be unless Parliament should impose on the companies the obligation of framing and observing a *pro rata* tariff. So far, Parliament has shown no disposition to do so; and unless votes are to be made or lost by the course taken on the question, it is probably not very likely to do so. The preventing of an unreasonable increase of rates between non-competing points is a matter of more immediate interest. That Parliament possesses the power to prevent any such increase does not admit of question; the only doubt is whether it will exercise that power. A reasonable regard for the position of railway companies that earn no dividends or only very low dividends is natural and proper, and is besides in the interest of the public. It is desirable, on every ground, that our railway companies, which were mainly built with British means, should give a fair return on the capital invested in them. That the return has been so poor, up to this date, is due, we suspect, mainly to the fact that through traffic, which includes American not less than Canadian, has been done at a loss or at the lowest profit. If the through rates had been equal to the local rates, every bondholder would have had his interest and every shareholder his dividend. Here, then, is the germ of the malady, the cause of the unproductiveness of much of the capital put in our railways; and the blame which belongs properly to the railway managers is unfairly thrown upon Canada. If through traffic is unprofitable, better to leave it alone than do it at a loss; and in any case, it is not fair to attempt to extract all the profits of the road from the local traffic. Into any increase of local rates that may be made, it will be the duty of Parliament to enquire; and if injustice be done, to apply the remedy. Meanwhile, the working of the amalgamation should be carefully noted. Here, as elsewhere, all exaggerations of statement tend to defeat their own purpose. What is wanted is a fair business-like presentation of the facts to Parliament; all interested should note down such facts when they come under their notice.

The public has been encouraged to expect an opposition line in the Ontario and Quebec road, with the Credit Valley and Canada

Southern connections. What is the position of the Credit Valley at this moment? Is it not at the disposal of the Canada Pacific? And if so, can the Canada Pacific and the Canada Southern work together? Vanderbilt is reported to have bought largely of St. Paul and Minneapolis, and to have been looking to an interest further north; but this latter rumour lacks confirmation. From the road now being built east of Toronto a certain degree of competition may be counted on. The effect of this partial corrective will be watched with interest. But new competition is not likely to replace the old, along the whole line; and for this reason, Parliament may have to be called in to supply the defect and prevent the exaction of unreasonable rates.

The remark has been made with truth that the Ontario and Quebec road will change the position of Toronto with respect to its railway accommodation. This is the first line to run north of the city, all the others being on the south. The effect is to give the city a dual front. What has hitherto been the rear will henceforth become a front to divide traffic with the old front along the lake. The most distant points in the city from railways will soon be among the nearest. The old centre of population is not likely to be disturbed, but a new centre will be created; and the effect cannot but be very marked, in more ways than one.

UNITED STATES FINANCES.

The exhibit made by the United States Treasury Department for the last fiscal year is a remarkable one, and strikingly illustrates the material prosperity of that nation. The receipts were the largest for years; perhaps the largest ever known, and exceeded the estimates by close upon \$4,000,000. The revenue was 10 per cent. greater than the previous year, 17 per cent. ahead of 1880 and more than 80 per cent. over that of 1879 or 1878. The following were the receipts in round numbers for the twelve ending 30 June:

Fiscal year 1881-82.....	\$403,500,000
do. 1880-81.....	361,300,000
do. 1879-80.....	333,400,000
do. 1878-79.....	272,000,000
do. 1877-78.....	257,500,000

The amount collected for customs' duties during last year was over \$129,000,000, the largest amount ever taken in one year. The Internal Revenue Department shows a gain of nearly \$11,000,000 in receipts and Miscellaneous Revenue is increased by over \$10,000,000.

Turning to the other side of the account, the disbursements of 1881-82 were some \$2,000,000 less than for the preceding year, and the ordinary expenditures, exclusive of interest and pension payments, were nearly \$3,000,000 less.

During the year just ended, the interest-bearing debt was reduced in round numbers by \$175,000,000. The amount of outstanding bonds actually paid and destroyed was \$166,000,000, and the reduction of the total debt was \$157,000,000.

The total debt of the United States at the close of last month was \$1,918,312,994. Of this sum \$1,463,810,400 bore interest, and \$438,241,788 drew no interest. If from the total sum we deduct the cash in Trea-

sury, \$243,288,519, the remainder is \$1,688-914,460, showing a reduction of debt since June 30th, 1881, of \$151,684,000.

STATEMENT FOR THE MONTH OF JUNE.

The following is a statement of the public debt of the United States for the month of June:

Six per cent. bonds continued at 8½ per cent	\$ 58,957,150
Five p c bonds continued at 8½ p.c.	401,503,900
Four and one half per cent. bonds ..	250,000,000
Four per cent. bonds	738,884,300
Refund'g certificates	465,050
Navy pension fund..	14,000,000
Total interest-bearing debt.....	\$1,463,810,400
Debt on which interest has ceased since maturity	16,260,805
Old demand and legal tender notes	\$346,740,711
Certificates of deposit	13,320,000
Gold & silver certificates	71,133,830
Fractional currency	7,047,247

Total debt without interest.....\$ 438,241,788

Total debt

Current liabilities—	
Interest due and unpaid	\$ 1,435,158
Debt on which int't has ceased..	16,260,805
Interest thereon.....	535,251
Gold and silver certificates.....	71,133,830
U. S. Notes held for redemption of certificates of deposit	13,320,000
Cash balance available July 1, '82	140,604,474

Total

Available assets—	
Cash in treasury	\$ 243,289,519
Bonds issued to the Pacific railway companies, interest payable in lawful money, principal outstanding	64,623,512
Int't accrued and not yet paid..	1,938,705
“ paid by the United States..	53,405,977
“ repaid by companies by transportation service	15,220,693
By cash payments—five per cent. net earnings	655,198
Balance of int't paid by the U.S.	37,530,085

LOAN COMPANIES' OPERATIONS.

The annual compilation by the Ontario Government of Loan Companies and Building Societies' statistics, contains the returns of 48 companies which is three more than last year's return contained. Notwithstanding the marked decline in the rate of interest obtainable upon farm loans, the number of these societies in Ontario continues to increase. The aggregate of capital invested in them is large, and the extent of the business they do in loans approaches forty millions annually. The following table will show the division of the companies named in the return between the various cities and towns and the amount of paid capital represented at each point:

TORONTO.		
Name.	Loans.	Capital.
Canada Permanent	6,559,588	\$2,000,000
Western Canada	3,355,778	1,000,000
Freehold	2,098,725	690,080
Building & Loan	1,249,163	745,098
Farmers'	1,082,574	611,430
Imperial.....	993,550	601,307
Union.....	1,075,898	528,204
Peoples	986,817	480,310
Real Estate Loan & Deb.	421,273	346,213
British Canadian.....	864,746	267,066
Commercial	53,680	44,874
United Empire.....	15,521	22,776
Toronto Land & Loan..	5,749	5,000
Aggregate for Toronto	\$18,762,972.	\$7,342,358