

in regard to this matter. There was another important question urging itself on men of thought in the present day more than the position in which we stand in relation to other countries. There was a very general impression, whether right or wrong, that this country was to a certain extent losing in the race in which it had been went in past years to win; and this was a time when such questions should be thoroughly, searchingly, and impartially investigated; and I was sure that Mr. Bourne's paper would materially assist in the further investigation of this question, upon which the future well-being of the country so largely depended. . . .

Mr. GLOVER.—His own opinion was that the tables were exceedingly unreliable. He would ask, also, whether another error did not underlie the idea of the author as to the balance of trade. Our imports and exports related only to our foreign trade, which was only a branch of the whole of the trade that was carried on; and when conclusions were drawn between the particular balance of two sides of the foreign account, a mistake was very apt to be made unless the enormous home trade carried on by the thirty-two millions of people in this country was taken into consideration. It seemed to him that the excess of imports over exports might admit of another construction than that put upon it by Mr. Bourne. Might not the larger value from abroad indicate the degree of our national ability to put foreign nations into indebtedness beyond our ability to make them take our goods in payment? When our exports were very small we could not afford large imports; now it was quite different. The indebtedness of other States to us enabled us to a certain extent to disregard the mere question of the amount of goods we were able to sell. He looked at our English trade from a very simple point of view, and it was this: England was a magnificent estate, the like of which had never yet been; and he did not think that the proprietors of such an estate, within which there was so much for their own comfort and enjoyment, should trouble themselves so much about the balance that resulted from their foreign transactions. The gravest part of Mr. Bourne's paper related to the food question, but the gravity of the question did not lie so much in a mere matter of money. It lay in another direction. When it was borne in mind that there were 32,000,000 of population in this country, and that nearly two-thirds of their food had to be brought from abroad, that raised many questions about the supply of food, which were so important that they could not be exaggerated; but there was not the slightest doubt as to the country's ability to pay for its requirements of food. He combated the idea that this country was showing signs of old age and decay; he would be willing to enter into a comparison between this country and the youngest country, and to show that any tests of national vigor to be found elsewhere could be more than paralleled in England. . . .

Mr. ARNOTT.—Passing on to Mr. Bourne's paper, he was struck with a number of remarks that had been made upon it, particularly one as to the balance of trade. He thought, as a merchant, the old idea in reference to this was a good deal exploded. A large amount of the unproductive exports during the last two years had been sent to countries, like India, that did not at all progress in the ratio that merchants had expected. If the desire for some comforts and a little luxury was increased in the inhabitants of those countries, then there would be a large export trade. With regard to the question of opening up new countries, the men who were passing away from the present generation were those who had opened up the countries from Cape Horn to California; and the development in Japan, Africa, and other countries seemed to be at a stand still. He reprobated the want of energy in this respect on the part of the young men of the present day. He was satisfied that if there was not more enterprise shown, we must, as a nation, decay. . . .

Mr. BOURNE.—With regard to the unreliable nature of the returns spoken of by Mr. Glover, if

they were unreliable, the fault lay with those who had failed to furnish the compilers with correct information; but still, in the main, he believed they were to be relied upon for the purpose for which they were intended. If he were asked to give an opinion, he would say that probably the exports were more likely to be correct than the imports. Professor Levi had spoken about values and quantities; but he (Mr. Bourne) reminded him that the question was one of value, and he purposely left out quantities, because he did not think they would affect the argument in any way. The fact that more calico was being sent for less money did not seem to him to affect the question at all: the point under discussion was as to the money value which passed between this country and the rest of the world. The manufactured article had not, as far as he could see, fallen in price in proportion to the raw material from which it was produced, and that went to support the argument that the cost of production had increased, which he attributed, not wrongly, to the high rate of wages.

BUTTER AND CHEESE.

Since our last, the cheese market abroad has continued to advance, the public cable quotation being 75s., but at the close the market is reported dull. This is owing to the unusually rapid advance, which has caused dealers to act with caution, as the arrivals show that they have been taken close up to the hoop, and shippers are disposed to hold off for the present and await further developments. It is to be hoped that factorymen have taken advantage of late rates, as present indications show a decided weakness, and it is reasonable to suppose that we shall see a reaction before long. Present prices are high and dangerous, and do not show much margin for profit to shippers. We hear of purchases in the interior for shipment next week at 12½c, but at the close of the week 12c may be considered an outside rate for the majority of the receipts, which are not fine and being of a quality that will deteriorate rapidly with hot weather. There are a few small lots of butter arriving, which are being placed to the home trade at 19c. to 20c. At the Little Falls cheese market an advance of ½c on ruling prices of last week was experienced. The figures, 15c., were not accepted very readily, most salesmen holding for a fraction better. Late in the day the range of prices was between 14½ and 15½c, but little getting the latter. Fully 3,000 boxes sold firm. Dairy cheese brought 12 to 14½c; generally 14c. Owing to the strife among buyers there was a notable advance in butter, the extreme prices being 20 to 24c; most selling for 22 to 23c; only 50 packages offered. At the Utica, N. Y., cheese market, 3,000 boxes were offered and sold; extreme prices, 13½ to 15c; ruling figures, 14½ to 14¾c, leading factories, 15c. The London, Ont., manufacturers and dealers in cheese have held a meeting to take steps to establish a cheese fair and market in this city. A committee was appointed.

THE GOVERNMENT AND THE BANKS.

(From the Toronto Globe.)

During the several debates involving the general policy of the Government that took place during the recent session, allusion was more than once made to a letter addressed by the Hon. John Simpson to the Finance Minister, which, it was supposed by Opposition members, would throw some light upon those presumably corrupt transactions in which the hon. Senator in question and the present Government had been mutually engaged. The letter was a private one, and it was of course optional, with Mr.

Simpson to assent to or to refuse its production. He readily consented, however, and the document was therefore informally laid on the table for the perusal of all whom it might interest, the Minister declining to establish a precedent for the formal and official presentation of private communications. The letter was as follows:—

(COPY.)

[Private.]

OTTAWA, Dec. 8th, 1873.

DEAR SIR,—In accordance with your request, I now state in writing the substance of the conversation that I had the pleasure of having with you on Friday morning in reference to the deposits of the Dominion Government.

I complain that not now, nor perhaps at any other time, have these deposits been fairly divided between the respective Provinces, taking as a basis of such division either population, wealth, the volume of commercial transactions, or the banking capital in them, and that in the different Provinces gross injustice has been shown in the distribution of these deposits by the evident partiality shown to favored banks or corporations.

I contend that the Province of Ontario has been most unjustly dealt with in the distribution of these deposits; that while it contributes largely to the revenue of the country—many think to the extent of one-half of the gross amount—it has not now, nor has it had for years, one-tenth of the Government deposits or Government surpluses placed with its moneyed institutions. I hold that it has a right to expect and demand from your Government fair play and equal justice in the disposal of your (for the time being) surplus funds.

To prove that our Province is not, and has not been, fairly dealt by, permit me to quote a few figures from an official statement now before me, showing the balances held by the Government on the morning of the 3rd instant:—

Total amount at credit of Government in all banks of the Dominion, \$8,237,000.

In all Ontario banks, \$837,000.

In Lower Canada and Eastern Province banks, \$7,400,000.

Or about 10 per cent of the gross amount in Ontario banks at the credit of the Government on the same day.

With the same banks on open accounts, or without interest, \$3,753,000. Of this sum Ontario banks only hold \$154,000, or less than four per cent.

Do you think that we in Ontario should be satisfied with the state of things indicated by the above figures?

Two of our largest Ontario banks with a united paid-up capital of over \$8,500,000 (eight and a half millions) had between them on open account \$20,000, and the major part of this sum was held for only a few days, while several Lower Canada banks, with not a tithe of this capital, had from five to twenty times the amount named. One institution and that not a commercial one, had for strictly jobbing or speculation purposes over one million of the people's money, and a large amount or portion of it without interest. The two banks referred to had only \$20,000 on the same day, and all our banks only held \$54,000 on open account.

I complain that while our banks in Ontario had in all forms only \$837,000, that the banks or branches of banks doing business in Nova Scotia and New Brunswick held \$1,750,000 of the people's money, while the population of these two Provinces united is not one-half of that of Ontario; nor can I believe that their united wealth bears a larger proportion to ours. I contend that the great injustice done to our moneyed institutions has cramped them in their dealings with the customers, and has injuriously affected every branch of trade in Ontario.

I think I have said enough to prove that Ontario has not been fairly dealt by, and now I ask you and your Government, in the name of the people of Ontario, to right the wrong. Let me, in conclusion, suggest a few ideas that I beg to commend to your consideration in bringing about this end.

1. I think the Government should still em-