from the several Governments appealed to for guarantees, or if any existed it was known only to the company which has the promotion in hand. The first evidence related to the cost of construction and maintenance. Then follow estimates of business, and the annual cost once estimated, the question of the proportions in which the several Governments interested should make up the deficiency is in order. If the work were carried on without the intervention of a company, there would have to be a board of management, on which the contributing Governments would be represented. A representative body drawn from different parts of the world very far apart would be apt to prove unwieldy, and it might be necessary to utilize a company. It remains to be seen whether Australia can make the idea of dispensing with a company acceptable to the conference and the Governments the conference represents.

A remarkable proposal has been made the promoters of the Ottawa ship canal, which it is difficult to regard as serious. The Government is asked to receive from the company a sum of money sufficient to pay interest on a proposed bond issue of $30,000,000 payable in 20 years, at 3 per cent. per annum, and to pay the interest as it accrues out of the fund so deposited. It would be interesting to see the calculations relied on, to show that an interest fund of this kind could be made a profitable operation. What is wanted, of course, is the Government guarantee to pay. One mistake has been made already, in granting the company a charter with power to monopolize a great arterial highway, which, if improved at all, should assume a national character; another and equally serious mistake will be made if the Government should agree to mix up its credit with that of a company of, so far, unknown financial capacity.

EXPORTS TO AUSTRALIA.

The letter of our Sydney correspondent, in our issue of November 20th, is of particular interest. It shows that the export trade to Australia is increasing, and it shows, too, that still more trade might readily be done if Canadian exporters would be more business-like in their procedure. The carelessness and neglect of instructions, shown in some cases, would shame a school-boy or a laborer. Some of the incidents related by our correspondent, show how Canadian manufactured wares have made a reputation on that continent by their own excellence. He met a gentleman on a railway train, a resident of an inland city of New South Wales, who proved to be a mill owner. This man stated that he had wished to make a special class of flour, but he found the rollers would not answer, and finally he put in millstones made in Canada that answered the purpose well. Music came up for discussion, and the same gentleman said, "A little time ago I had to buy a new piano, and I bought a Canadian-made instrument; it is pronounced to be the best toned piano in the city." The mill-owner further added that in an Australian road-race his son had discarded his English wheel for a Canadian bicycle, and with it won the race.

It is curious that while the trade returns of New South Wales show some bicycles as coming from Canada, they do not show any pianos or mill-stones. The pianos reach there from Ontario via New York, and are credited at Sydney as coming from the United States. When the goods are sold through a New York middleman they are pretty sure to be credited in this way. Our correspondent thinks it probable that the trade of four Canadian firms alone to Australia this year will be over half a million of dollars. If four firms can do such an aggregate of business, what is to prevent four and twenty firms doing millions of business if they go about it with system and persistence? True, the procuring of such a trade means work and patience. Circulars by mail alone will not bring it. As a Canadian put it, "you cannot do business with Australia on a five cent postage stamp." The experience of that Canadian, as narrated in the letter, is worth reading. Disappointed at first, he persisted, and the trade came faster than he expected, and now he is "cabling to hurry up goods."

FINANCIAL REVIEW.

The result of the American election has brightened up matters to a marvellous extent in the United States, and the reflex influence of it cannot but be favorable to Canada. The American lumber market has been stagnant for several years; indeed we may say it has been almost dead. But the general revival of confidence, the re-opening of closed manufacturing establishments and increase in the output of others, will inevitably cause an increasing demand for lumber all over the States, such as we are in the habit of shipping there.

Not that we look upon the incoming President as particularly favorable to Canada, that is, as judged by antecedents; for the tariff, which was called by his name, was distinctly inimical to Canadian interests, although it was strongly asserted at the time of its passing that it was not aimed at Canada particularly, but had reference simply to the internal affairs of the United States. However, whatever may have been its intention, it undoubtedly put Canada on its mettle in a very remarkable degree. We were compelled to choose between making approaches to a sort of unrestricted reciprocity, or seeking out other markets for some important articles of our produce. It is well known what the choice was, and the result has quite justified it. We have opened other markets, and our trade to-day is flowing through very satisfactory channels—channels, some of them, that a few years ago would hardly have been thought of.

It is not likely—indeed, it is hardly possible—that any tariff changes introduced under Mr. McKinley's presidency would work to our further disadvantage; and we can await quite confidently the development of events. One result of the election can be contemplated with unmixed satisfaction, viz., that it has removed the possibility of debts due to Canadians by American business firms, being paid in a depreciated currency.

The bank statement for October, which has already been presented, shows that there has been very remarkable activity in the movement of our crops to market. The increase of bank circulation has been very marked, as compared with a year ago, in fact as compared with several years back. It will be interesting to compare the movement in October this year with the movement for several recent years, thus:—

INCREASE OF CIRCULATION IN THE MONTH OF OCTOBER FOR THE FOLLOWING YEARS:—

1890	Increase,	$ 951,000
1891	"	3,099,000
1892	"	3,751,000
1893	"	1,777,000
1894	"	1,161,000
1895	"	1,897,000
1896	"	3,303,000

Of course these figures are not an index to the actual amount of our *productions*; they are, however, a perfect index to the amount of *movement and marketing* of various crops; but it must always be borne in mind that the volume of circulation is very largely affected by the price of the article moved. If, for example, wheat had been a