

line is based entirely on the commissions of Governors, and we find in the report of the Dawson Committee of 1880 the following passage: "It may be remarked that the judges who appeared before your Committee seemed to be strongly of the opinion that the boundaries of provinces with constitutional Governments could not be altered by commissions to Governors or proclamations." Who but the Messrs. Dawson think otherwise?

### THE BANK STATEMENTS.

There is little change in the bank returns. The circulation has slightly increased, and the deposits are rather less. About two millions and a quarter has been withdrawn from New York, and the discounts in Canada have increased by about the same amount. There is a reduction in the specie of about two hundred and fifty thousand dollars, and an increase in Dominion notes to a little more than that amount. Of the aggregate reserves about two-thirds are in Dominion notes. The Dominion note circulation has increased to about \$137,000, of which \$118,000 is in the large notes of \$50, \$100, \$500 and \$1,000, held chiefly by the banks.

	March, 1881.	Feb., 1881.
Capital authorized...	\$57,466,666	\$57,466,666
Capital subscribed...	57,539,334	54,539,334
Capital paid up.....	53,358,091	53,353,464

#### LIABILITIES.

Circulation.....	\$23,697,254	\$23,473,252
D. Gov. dep. on demand.....	4,642,986	4,253,616
D. Gov. dep. after notice.....	3,525,252	3,025,252
Deposits Security for Gov't Contracts and Ins.....	1,079,021	1,196,214
Prov. Govt. on demand.....	869,259	1,225,909
Provincial Govt. aff'r notice.....	824,421	1,126,078
Other deposits on demand.....	38,046,146	38,472,845
Other dep. aff'r notice.....	33,830,161	33,971,330
Loans or deps. by other Can. Banks, sec'd.....	000,000	000,000
do unsec'd.....	1,255,781	1,544,362
Due Bks. in Canada.....	681,532	857,809
do. in foreign countries.....	92,294	188,269
do. in the U. K.....	1,151,068	336,827
Other liabilities.....	270,614	151,747
Total liabilities.....	\$109,985,788	\$109,838,510

#### ASSETS.

Specie.....	\$5,005,667	\$5,256,036
Dom. notes.....	10,049,662	9,707,963
Notes and cheques on other Banks.....	3,947,276	4,561,389
Due from Banks in Canada.....	1,795,073	2,039,020
Due from B'ks in foreign countries.....	23,104,154	25,374,477
do. in U. K.....	3,855,574	3,029,890
Available Assets.....	\$47,757,406	\$49,968,775
Government Deb. or St'k.....	\$1,014,889	\$1,014,889
Loans to Dom. Govt.....	701,379	607,405
do. Prov. Govt.....	120,836	137,201

Securities other than Canadian.....	1,468,210	1,321,244
Loans secured by other than Canadian Collaterals.....	8,979,898	8,110,295
Loans to Municipal Corporations.....	516,829	435,681
Loans to other Corporations.....	4,786,616	4,596,023
Loans to or Deps. in other Banks, sec'd.....	000,000	000,000
Do. unsec'd.....	525,391	593,603
Discounts.....	98,135,023	96,060,472
Notes overdue not specially secured.....	1,715,763	1,707,615
Overdue notes, sec'd.....	2,639,160	2,652,255
Real Estate.....	1,932,139	1,967,887
Mortgages on R. E. sold by Bank.....	420,311	400,282
Bank Premises.....	2,843,578	2,840,636
Other Assets.....	1,501,259	1,681,579
Total Assets.....	\$175,109,667	\$174,094,922

Directors' Liabilities.....	7,152,982	6,341,449
Av'ge Amt. Specie during month.....	4,869,460	5,221,879
Do Dom. Notes.....	9,803,508	10,006,202

The Gas Company of Winnipeg is actively pushing forward operations. Excavating for the laying of the pipes will begin as soon as the frost is out of the ground. The city is expected to be illuminated with gas by September 1st. It will be manufactured from birchwood and crude petroleum oil, and will give a light it is claimed of eight candle power more than the best manufactured gas anywhere else in the Dominion. S. J. Holly, manager of the Company, is reported to have leased from the Dominion Government 1,280 acres of bog land sixty miles east of the Red River, from which he expects to manufacture 580 tons per day next winter. It is similar to the peat manufactured in Onondaga, N. Y., and 2,000 pounds of it equal 1,500 pounds of anthracite coal.

POTATOES.—The export demand, noticed in a recent issue of the JOURNAL, for Canadian potatoes continues, and buyers from all parts of the United States, are making extensive purchases of Early Rose and Chilis, at 50c to 55c per bag of 90 lbs. It is reported that 21 carloads containing over 9,000 bags, were shipped from this section last week to the following places: New York; Boston; Providence, R.I.; Worcester, Mass.; New Haven, Conn.; Cincinnati, Ohio; Indianapolis, Ind.; Detroit, Mich.; Chicago; and Fall River, Mass. On arrival, at these points the potatoes are disposed of at good paying figures, 80c and 85c per bag having been obtained in Chicago. There is a large surplus in the hands of Canadian growers, who are meeting the demand liberally, but, judging from the letters of enquiry received at this office, some Canadian dealers have conceived the idea of making direct shipments, which, probably, will prove quite as profitable, or more so, than selling to American buyers.

## Correspondence.

### THE BOUNDARY QUESTION.

To the Editor of THE JOURNAL OF COMMERCE.

SIR,—My attention has been called to an editorial in your paper of the 25th ult., under the head of "Last of the Session," on the question

of the boundary between Manitoba and Ontario, in which my name is freely, and, I am sorry to say, somewhat unwarrantably, used. Of the diatribes of the Toronto *Globe* on the subject in a series of articles last summer and since I have taken no notice, because these articles were written for a political purpose, and any one who appears before a Committee of Parliament to give evidence must submit to have his views used or distorted for political purposes, just as it may suit the party press, and to combat this would certainly be great folly on the part of one who is taking no part in the party politics of the day. On a matter generally so little understood as the boundary question it would take more time than any one not making a business of it, or else having abundant leisure, could spare to correct all the absurdities that are written about it; and I am content to let my evidence, when fairly dealt with, speak for itself to those who choose to make a study of that somewhat intricate question, as they may find it in fact, and not as distorted for party purposes. When, however, a professedly non-partisan paper like the JOURNAL OF COMMERCE condescends to adopt the style of insinuation, unsupported assertion, and palpable mis-statement, I feel that I have a just claim for a corner therein to make the necessary correction.

Your article, following in the wake of the *Globe*, speaks of the "Brothers Dawson," as if they had entered into some very culpable conspiracy to make a Province of Algoma between Ontario and Manitoba. If Mr. S. J. Dawson, or he and his constituents together, think that Algoma should be a separate Province (and I really do not know whether he or they do so think or not) it would of course be his duty to urge that policy in Parliament; but as, perhaps in my forgetfulness, I am not aware that I ever expressed an opinion upon the subject, I would be very much obliged if you would be so good as to point out where it is to be found, for certainly I cannot. You then quote Sir John McDonald as having, in the late debate, expressed himself in language to the same purport and "not very dissimilar" to what I used last year in condemning the Dominion case before the Arbitrators. I certainly cannot help it that Sir John—with whom I have had no communication whatever, and of whose opinions on the subject I know nothing—should adopt my opinion as to the mismanagement of the case, but I object to be made responsible for the strong language in which he says that it was "shamefully and deliberately mismanaged." I would only go the length of the milder term, and say "*mistakenly*," for which there were, perhaps, more than its nominal authors to blame, but to shew how would go beyond the limits of this letter. You say again: "such observations were natural enough coming from Mr. Dawson, who would have liked that his own and his brother's peculiar views had been urged on the arbitrators, &c." Now, Sir, as mine and my brother's "peculiar views" are on this question, in many of its ramifications, diametrically the opposite of each other, how could I have "liked" that both should prevail?—I think, therefore, that the error committed in this sort of argument in the article in your number of the 25th ult. will be readily perceived. I am perfectly ready to defend every opinion I have given on the abstract question of boundary, on its historical basis, and the practical definition of the different documents affecting it, but I have given no opinion whatever upon the political issues of the day in respect thereof, except in one instance where, at page 173 of the Committee's Blue Book, I have stated that the pretensions of Ontario, if established, would have made Confederation an impossibility, as Quebec would never have submitted to have had the whole of the early French possessions of the North-West made part of Ontario, an opinion in which I think there can hardly be one dissentient voice in the province. That may be said to have been a political opinion, and I shall now give expression to another; I have demonstrated, I think, in my evidence, that the westerly boundary with which Ontario entered Confederation was the easterly entrance into Lake Superior, near the Sault St. Marie; the late Act of the Dominion Parliament has there-