

circumstances, either of fiscal policy or otherwise, the country could not fail to have made considerable strides in the way of improvement. We have had two good harvests. Our cattle, butter and cheese products have been large and profitable. And our forests for the last two years have yielded us probably double the value they did for two years previously. And this is the most important export we have.

But, in addition to this, we have had a new development altogether for Canada, viz., the rapid opening up and settlement of a great prairie country. The enormous influence of the opening up of the North-West can only be appreciated by those who are carrying on business with Manitoba and its adjacent provinces. Besides, there has been a heavy railway expenditure in various parts of the Dominion. The Pacific Railway and its tributaries, involve an outlay of money in Ontario, Manitoba, British Columbia and the North-West generally, which exceeds, probably, that which took place during the construction of the Grand Trunk.

Then, finally, the large increase of manufacturing enterprises has given rise to considerable expenditure for buildings, machinery and plant. These expenditures, of course, will not be repeated. But they have helped to swell the great volume of expansion which the last two years have witnessed.

This, then, is our position. Those who remember the condition of Canada from 1854 to 1856, will readily recognize the general similarity between the condition of things at that time and the present.

The error of that time, so far as the commercial position was concerned, was in forgetting that the state of things then prevailing was temporary only, and making no provision for the time when a change would take place. Good harvests, sold at high prices, will not last forever. Neither will railway expenditure. If men had been wise, they would have seen this, and prepared for a change. But they did not, and hence a disastrous revulsion.

We are now approaching the very top of the wave of prosperity and expansion. But, as before, so now, it is certain that good harvests, heavy productions of lumber, large expenditure on railways, will not last forever. The opening of new regions in the North-West will go on for some years yet, and so will railway expenditure to some extent. But good harvests and lumber are not to be depended on always.

There has already been a check in the United States within eleven months, the shrinkage in the selling price of the stocks of 115 corporations there, has been no less

than the enormous aggregate of \$514,668,038, a shrinkage nearly three times as great as that (\$151,716,484) which preceded the panic of 1873. Nevertheless, crop prospects and the trade outlook are good. Trade is only reviving very slowly in Great Britain, and we are entirely dependent on these two countries for the price we get for our products.

Wisdom, then, says it is a time for caution and prudence; for looking ahead—for taking the benefit of the doubt—for shortening credits and diminishing importations. And if, by-and-by, we find that things turn out better than we feared, no harm will have been done.

LAND COMPANIES.

The London *Economist* of June 3rd, gives a list of so-called land companies organized and put on the English market within two years; many of them being, however, rather loan than land companies. The list is far from being complete, a great many new Canadian companies being absent:—

	Subscribed Capital.
	£
Auckland Agricultural 5 per cent. debentures	145,000
Australian Mortgage and Agency	500,000
Australian Mortgage Land and Finance 4 per cent. debenture stock	65,000
British & New Zealand Mortgage Agcy.	300,000
Cyprus Land Mortgage and Investment	200,000
Dominion of Canada Land & Coloniz'n	240,000
Great North-West of Manitoba Land..	200,000
Land Corporation of Canada	250,000
Land Mortgage and Agency of Fiji....	250,000
Manitoba Land	100,000
Manitoba Mortgage & Invest., limited..	500,000
National Mortgage & Agency of New Zealand, new shares	205,000
New Brunswick Land & Lumber bonds	513,000
New South Wales Mortgage Loan and Agency Debentures.....	300,000
New Zealand Mortgage & Investment	250,000
North British Australian Mtg. & Agcy	500,000
Queensland Investment & Land Mortgage, new shares.....	250,000
Do. 4 per cent. debenture stock	150,000
Queensland Land & Coal debentures..	120,000
Robert Campbell & Sons	600,000
Scottish Australian Investment 5 per cent. preference	200,000
Do. New Ordinary	100,000
Scottish Ontario & Manitoba Land....	100,000
Scottish Manitoba & North-West Real Estate	66,610
South African Loan, Mortgage & Mercantile Agency	325,000
South Australian Land Mortgage and Agency	1,000,000
Do. 4½ per cent. debentures.....	200,000
South Australian Investment	250,000
Total	£7,879,610

The first question which a Canadian, not directly interested, asks when he sees a new land company launched, is whether there is any danger of the land being permanently monopolized. The price, he knows, will be somewhat increased to the settler; but the number of persons which the organization

interests in the settlement of the lands, affords a compensation which may or may not be complete. All land companies in America have, by the nature of the situation, been obliged to sell. There seems to be a real danger of land monopoly in Australia, where some individuals hold as much as a million of acres each, which they make profitable as grazing lands. One man there recently refused an offer of £750,000 stg. for his interest in a station, as it is called; his annual profit therefrom being £60,000. The lessees are beginning to claim proprietary right and there is danger that politicians may concede the claim. The result of the establishment of new loan companies in New South Wales has been to reduce the rate of interest to about one-half.

The formation of land companies, as the *Economist* remarks, sometimes enables the colonists to supply their pecuniary wants without resorting to loans. During the last year, the colonies have borrowed very little in the mother country. The sale of lands in our North-West to land companies, as well as the transfer to the Pacific Railway Syndicate, which was equivalent to a sale, are final devices. When public lands are so dealt with, some of the considerations connected with settlement are liable to be disregarded.

Hitherto, in the disposal of our public lands, we have had to keep in view the competition of the United States. Settlers would go where they got the best terms. The pressure of this competition is nearly at an end. Homesteading, in the States, must soon cease, in consequence of the arable lands at the disposal of the Government being all granted. This will probably happen within two years. Canada will then be at liberty to revise her land policy. It may no longer be a good policy to give a large part of our lands away. The question will have to be reconsidered; and a new departure may be possible or desirable.

As compared with prices in Australia and New Zealand, the price which the Canadian Government gets for its lands is very low. In New South Wales no land is sold for less than £1 stg. an acre, and the average price in New Zealand is about £2. The land is the patrimony of the whole people and those who settle on it have no more right to it, without payment, than laborers in other vocations. The question of policy is another matter; and as we have said the time may soon come when that policy will bear revision.

—The Western Assurance Company has declared a half yearly dividend at the rate of twelve per cent per annum.