

by 1875 the mileage was doubled, being 4,826 miles as against 2,497 in 1870. The figures serve to indicate what other evidence proves to have been true.

There was heavy immigration into the country. The area of settlement was extended. In the west, the new Province of Manitoba was established. The supply of agricultural produce was much increased, and a powerful impetus given to the business in produce. Building operations in Canada and the United States, and the rapid additions to the railway system in either country, raised the price of lumber. With the increase of other foreign demands, they stimulated the timber trade, and caused abnormal inflation. The speculation extended to timbered lands and timber limits. All sorts of manufacture were pushed to bounds, which, in 1875, were acknowledged to have been unreasonable.¹ Municipalities of every grade caught the infection and adopted the pernicious system of granting bonuses to manufacturing companies proposing to establish themselves in the district of the grantors. The whole series of years was marked by general growth of commercial operations, expansion of credit in its various forms, and large additions to the class of small shop-keepers doing business on long time. Except where related to timber production, the values of real estate were much less affected by the upward movement than other investments. The time is best described as one of increased activity in manufacture, transportation and exchange. The great land boom had occurred in 1857 and preceding years.

The banks, it may be expected, shared in this expansion. From May, 1868, to June, 1874, twenty-eight new charters were granted by the Dominion Parliament, the record for each session being as follows: 1868 one, 1869 two, 1871 four, 1872 ten, 1873 nine, 1874 two.² After 1870, the charters usually provided that if \$100,000 of the new bank's capital were not paid in to some existing chartered bank, and the fact certified to within one year

¹ *The Monetary Times*, the contemporary newspapers, other financial and monetary publications, and the statistics prepared for the Dominion Government, are the chief sources for the facts of this period.

² See Note 1, next page.