

ing business. The usury laws, we believe, are not far from there, so that money can find its own level without those round-about modes of making it do so which do credit to the astuteness of our bankers, and are at the same time a standing witness to the absurdity of the attempt to make water run up hill.

The last institution we shall name at present is one of the newest of the Colonies, if the free ports of China, secured to Britain by treaty, can be called such. The Hong-Kong and Shanghai Banking Company, Limited, is, of course, as its name suggests, a recently organized bank; but its field of operations must be a very promising one to enable results to be realized such as are shown in the report presented on 30th June last. On a capital of \$25,000,000, profits to the amount of \$245,000 are reported for the half-year, after deducting all interest paid and due. This sum amounts to nearly 20 per cent. per annum, and the Directors showed their appreciation of the true principles of banking by placing by far the larger part of it to the credit of Reserve and Profits realized. The deposits and circulation of this bank amount to \$3,800,000, and its loans to \$4,700,000; but its exchange business is doubtless the most lucrative branch of its operations. Its extent is shown in the accounts presented (a precedent which banking institutions here might follow) by the entry on one side of \$4,700,000 for exchange remittances, and on the other of \$4,400,000 for exchange acceptances.

It is to be noted that all these banks make provision before dividing profits, for rebate of interest on bills discounted and not yet due. Only one Canadian bank has as yet done this, but it is high time the practice were generally adopted, for the profits and reserve when this is not done are stated at a larger amount than they really are.

STATISTICS OF CANADA.

WE occasionally hear a good deal about "reform," but we think there is great room for it in regard to Canadian statistics. Neither in Great Britain nor in this country are the statistics thereof, particularly those referring to agricultural products—taken as fully as they should be. Considerable difficulty has been experienced in the mother country in getting farmers to fill out returns correctly, fears being entertained that in some way this would lead to an increase of the taxes they would have to pay. At present in Canada our agricultural returns are by no means what they should be, and the person who devises a better system will be entitled to the public thanks. Among other points bearing upon our agricultural progress which should be brought out in our statistics are the following: the new lands brought into cultivation annually, the quantity in crop each year, the relative productiveness of new and old lands, and the increase in numbers of those engaged in tilling the soil. Besides these, there are other points which would be both interesting and instructive, not only to the statistician, but to other clients, farmers and business men generally. There are many who neither read statistics, nor consider them of importance. This is a great mistake. Statistics are the mile-stones which tell of national progress or declension, and no country can afford to undervalue them. All intelligent men are agreed on this: the only point in question is, how can they be made most full and accurate. We think Canada has something yet to learn in this respect, and after Confederation—if not before—we hope to see a more thorough and correct system adopted. We are sure such a "reform" will confer a lasting benefit on business men generally, and serve to set forth more truly the progress in agriculture and otherwise, which Canada is making.

Important Legal Decision.

The United States Supreme Court has decided that it is illegal for a Municipality or State to tax Federal Securities, and the Banks of New York city, therefore, recover \$2,100,000 from the City and County; the Insurance Companies \$300,000.

The United States Tariff.

The representatives of the Pennsylvania iron masters and the Western wool growers are said to be greatly displeased with the new Tariff bill submitted to the United States Senate Finance Committee by the Treasury, and we may therefore take it for granted that Secretary McCulloch and the influence of Government will be exerted in favor of cheapening wool and iron in the interests of the Eastern manufacturers.

HURON AND ONTARIO CANAL.

A COMPLIMENTARY dinner was given in Toronto last week, to a delegation from the Board of Trade of Chicago and Oswego, who had come to Canada with reference to the project of the Huron and Ontario Ship Canal. The Board of Trade of Milwaukee was also to have been represented, but the invitation to that body had miscarried through some mistake. Speeches were made by Hon. W. Bross, one of the editors of the Chicago Tribune, and Lieut.-Governor of Illinois, by Senator Ames of Oswego, and others, to show the necessity of having increased water communication between the grain districts of the great West and the ocean; to prove that the best way to obtain this was by connecting the Georgian Bay with Lake Ontario; that though it was said it would be impossible to accomplish this on account of the natural difficulties in the way, engineering science would be able to overcome these difficulties; that Montreal and Quebec stood in their own light by refusing to aid in the construction of a work which would make them the great commercial emporiums of the country, and rivals even of New York; that the immense amount of grain seeking an outlet from the granaries of the West would, in the tolls paid by shipping, make the project amply remunerative; that, although United States interests would receive the largest share of the benefits therefrom arising, Canada would also be a great gainer; and that Toronto could afford to make a free gift of \$2,000,000, without interest, so greatly would she prosper by reason of the enterprise.

The feature of the evening, so far as the Canal is concerned, was the speech of Lieut.-Governor Bross, of Illinois. This gentleman heartily advocated the construction of this great work, contending that it was the only way by which the Western States could ever get thorough and satisfactory relief in the matter of transportation. He drew a glowing picture of the progress of the country lying between Chicago and the Rocky Mountains, showing the extraordinary advancement of States, the rapid extension of railways, and the enormous annual increase in production. The yearly shipment of cereals from Chicago alone, during the past five years, has averaged no less than 50,513,100 bushels. At certain seasons this and other classes of freights completely choke up every channel of transportation, entailing immense loss on shippers. According to Mr. Bross, the Huron and Ontario Canal—in conjunction with the deepening of the St. Lawrence Canals—if sufficiently large to float through vessels of one thousand tons burthen, would afford complete relief to the West, and prove as beneficial to Canada as to them.

Among the advantages which the Lieut.-Governor of Illinois claimed for this Canal were the following: It would decrease the distance between Chicago and other cities on Lake Michigan and New York by 330 miles. It would only take about 40 miles of canal to connect the Georgian Bay with Lake Ontario, and a vessel from Chicago could reach Toronto as quickly as Detroit. Five or six days would be saved in transporting grain to Oswego, whilst the saving to the grain from avoiding so long a journey in the warm waters of the Erie Canal would be equal to 5 per cent. Toronto, Montreal, and Quebec would all be benefited by its construction—the former of which, according to the speaker, would become one of the greatest manufacturing cities on the continent. Mr. Bross attributed to Montreal the desire to construct the Ottawa Canal, and thus try and take Western produce to a point on the St. Lawrence where New York could not compete for it. This was condemned as shortsighted and unfair, for it was right that New York should get supplies *via* Oswego, whilst there was no doubt that the St. Lawrence—the second great artery of the continent—would attract the greater portion of Western produce down through its waters to the ocean.

Whether this visit of American gentlemen will help on this undertaking or not, remains to be seen. It has certainly done much to render it more popular in Upper Canada. For many years it was looked upon there as impracticable; but, notwithstanding certain objections to the action of the present Directory, confidence is gaining ground in the public mind of that section that some day the Canal will be constructed. We have never doubted that either the St. Lawrence or the Ottawa Canal would be demanded by the West through course of time, as otherwise production would there be stayed; for the present means of transportation would soon be utterly inadequate to

convey their annual products to market. The time may come when both will be needed, if the statement of Lieut.-Governor Bross be correct that the West doubles its yield of cereals every five or six years. In the meantime, it would be difficult to raise money to construct either. The deprivation of Western cities contributing substantially to construct the Canal, and address they would render assistance; but we fear the Canadian Legislature would be loth to do much at present, and it is doubtful if English capitalists would risk much without a Government guarantee. However, there can be no question of the importance of either of these works to Canada, and none would rejoice more than we would to see them in a fair way of being successfully undertaken.

"What might have been a Pillar of Gold."

The Australian gold column recently mentioned in the *Trade Review* is about to be imitated in Nova Scotia, the Paris Exhibition Commissioners of which Province have given directions for the construction of a gilt pyramid 13 feet square at the base, by 6 feet 1 inch in height to represent the quantity of gold taken from the Nova Scotia mines during the present year.

THE WINTER MONTHS.

WINTER has now fairly set in, and there will soon be good sleighing in all parts of the country. We may fairly expect some improvement in business when this takes place. For some time past, trade has been rather quiet. This has arisen from two causes—first the great bulk of the produce in the well settled sections of the Province was brought out to market very soon after harvest, the farmers being apprehensive of a fall in prices; and secondly, because the roads have been unusually bad for several weeks past. Both of these causes—as well as some others less important and more remote—have tended to take from the business of the country that activity and animation which was manifest last season at this time.

When the roads have become thoroughly "macadamized" with snow, and the merry bells resound on every side, an improvement must take place. There must be considerable produce yet in the country. During the fall months, the roads are such in the new Townships that but a small portion of the crop can be brought into market. Sleighing is indispensable to the farmers of those districts, and they will lose no time in making good use of it. They must have a large quantity of Spring wheat for sale yet. This continues to command good prices. It is difficult to rightly understand why the price of our great staple has kept up so high this season. Reports from Chicago and other points, got up for speculative purposes, have no doubt had their influence on our Canadian market, which has been higher for Spring and Fall wheat than foreign markets warranted. The price, however, still keeps up, and those farmers who have not yet sold, will most probably secure quite as good prices as those who disposed of theirs earlier. The Barley crop has, we think, been pretty well cleaned out; but there must be a large quantity of oats, peas, and other farm stuff, ready to be offered as soon as the roads become favourable for conveying it to market. One of the business features of the winter months is the pork trade. This is just commencing all over the country; and to a moderate extent having already been made. The hog "crop"—as some call it—promises to be large this winter. The estimated increase in the United States, is 500,000 animals, and we feel assured that Canada will also show an advance. The raising of swine has paid well of late years among us, prices ranging unusually high, and the natural effect of these circumstances, is increased production. Appearances indicate that prices will not reach a very high figure this season.

The present winter will not, we think, equal the last in business activity. The activity will not, at least, be as apparent. The contrast between last winter and that of 1871 was such as to make the revival of trade appear even greater than it really was. We do not doubt that the present winter months will be profitable ones to the country. If we are not to have such evidences of life as the excellent harvest of 1865, and the termination of Reciprocal trade, induced last year at this period, the public necessities are not of such a character as so urgently to require it. The money made last year squared off an immense amount of indebtedness and placed business in a much easier and better condition than it had been for several seasons previous. Many who made considerable money in 1865, however, had very little to spend, for the very good reason that