

In warehouse on 1st July, '73 12,862,041 lbs.
 Manufactured during year... 31,504,005 "
 Taken for consumption 34,369,016 "
 Exported 6,233,367 "
 Otherwise accounted for..... 113,308 "
 In warehouse 30th June, '74 4,650,355 "

The total duty which accrued on malt was \$343,690. Instead of our own comments on this increasing business, we cannot do better than adopt the remarks of Mr. Brunel, the active commissioner of this department. He says in reference to the foregoing figures regarding malt:—

"It is thus shewn that the quantity of malt taken for consumption has been steadily on the increase since 1871. The quantity exported, which rose from six and a half millions of pounds in 1871 to over ten millions in 1873, fell during the past year to 6,233,367. It is known to the department that the early closing of many of the malt-houses last spring was due to the short supply of barley during the closing months of the malting season, and that several of the large maltsters were compelled to import barley from Europe, to enable them to meet the requirements of their trade. This short supply was not so much the result of a short crop as of an active demand for exportation, the foreign buyer outbidding the Canadian maltster. This has resulted not only in reduced exports, but the quantity in warehouse on the 30th June, 1874, was so far reduced that it amounted to only 4,650,355 pounds as against 12,862,041 pounds in 1873, and 13,381,439 in 1872. Of the quantity entered for consumption during the last fiscal year, 28,685,003 pounds were used in the manufacture of malt liquor, and 3,632,093 pounds in the production of spittis."

The transactions in tobacco show a large increase during 1873-4. We took for consumption of manufactured tobacco, no less than 8,494,193 lbs., and exported to the extent of 483,336 lbs. Adding the quantity of raw leaf taken for consumption, the total number of pounds used was no less than 8,885,624—certainly a very good supply of the "weed" for less than four millions of people. The following figures show the total amount of tobacco consumed and the duties collected thereon, for the last four years:—

1870—1	6,796,610 lbs.	\$1,035,795 duty.
1871—2	8,176,099 "	1,252,487 "
1872—3	6,489,839 "	1,013,557 "
1873—4	8,885,624 "	1,401,271 "

A pretty sharp dodge seems to have been played on the Government in regard to tobacco during the past year. It is well known that the duties in Manitoba have heretofore been exceptionably light—in fact almost nominal. Several dealers took advantage of this, and first exported large quantities of Canadian manufactured tobacco into the States, and subsequently into Manitoba under the nominal tariff existing there. They then brought considerable quantities of this tobacco back to

Montreal and other portions of the Dominion, making large profits by the transaction, the cost of freight being far less than the proper duties would have been. This was certainly a pretty sharp practice, and not only unfair to the Government, but to all other dealers in the article.

We regret to find that the decline in the production of petroleum was even greater than we expected. There was a falling off in the quantity manufactured of 7,849,805 gallons; this is nearly fifty per cent. as compared with the previous year, when the total quantity refined was 14,602,087 gallons. The amount of oil exported fell from 9,597,525 gallons in 1872-3 to the small quantity of 1,065,787 last year. This is an exceptionally large decline, and undoubtedly arises from over production both in the United States and here during several previous years. Fortunately our home consumption was considerably larger, the exact increase being from 4,516,490 to 5,202,175 gallons, or 15 per cent over the consumption of the previous year. We trust our export trade in petroleum may speedily revive, for it is one of our most profitable branches of industry.

Looking at our excise revenues from a financial standpoint, the year 1873-4 was a prosperous one. In judging of the increased returns, however, the effect of the new tariff must be kept in mind, and it is every way probable when the returns of the current year (1874-5) come to be published, it will be found that not a little revenue was obtained in 1873-4 which other circumstances would have fallen into the subsequent year.

THE NEW TERMS WITH BRITISH COLUMBIA.

All the correspondence and papers in regard to the terms of union with British Columbia have been laid before Parliament. After considerable cross-firing between the Government of British Columbia and that of the Dominion, the Colonial Secretary, the Earl of Carnarvon, tendered his good offices as arbitrator. After indicating pretty clearly in a despatch of the 18th August last, what his views were, the offer was accepted on behalf of the two Governments. The Colonial Secretary, with a few modifications of some importance, upheld the offer made by Mr. Edgar on behalf of Canada, when in British Columbia.

The new terms are as follows:—1. That the Railway from Esquimalt to Nanaimo shall be begun and completed with all practicable speed; 2. That the surveys on the main land, shall be pushed on with the utmost vigour; 3. That the waggon road and

telegraph shall be immediately constructed; 4. That \$2,000,000 per annum shall be the minimum expenditure on the Railway in Columbia; and 5. That the Railway shall be completed by 1890. These relaxed terms are such that the Dominion will be able to fulfil them, and that, too, we hope, without seriously burdening the finances of the country; the obligation, however, must inevitably increase our public debt, and possibly increase the present rate of taxation before the work is completed. It is at least satisfactory to know that the difficulties with our Pacific Province have been settled, and it is to be hoped that hereafter no cloud may arise between it and the Dominion in regard to the great Railway project which was the basis of the union.

SUN MUTUAL LIFE INSURANCE COMPANY.

—It is now more than four years since this Company was authorized by the Dominion Legislature to transact Fire, Life and Accident Assurance. At a subsequent session of Parliament, the Company had the power to conduct the former branch of the business rescinded. Among the special features set forth by the Company were:—"Business strictly limited to Life Assurance." Bearing in mind these facts we were somewhat surprised to learn that the management had decided to make a departure from this principle in forming an Accident Branch. We adhere to the opinion often expressed in these columns, that it is best for Companies to confine their business strictly to one class of risks. No better evidence of the wisdom of this course need be furnished than that given in the record of the "Sun Mutual" since its formation. During the four years of the Companies existence, its gross assets have increased from \$64,950 to \$171,362; with a surplus of over \$600,000, available for policy holders. The statement of the business of the Company, which may be found in another column, shows that the premium receipts for the year were \$55,982; the expenses of management and a six per cent dividend upon the paid up capital, amounted to \$27,000; leaving a balance of \$37,073 to be added to the reserve. A noticeable feature in the statement of so young a Company is that the amount of interest on its investments has exceeded the death claims. This evinces the great care that has been exercised in the selection of risks, 27 having been rejected, on which assurances would have amounted to \$58,500. The funds of the Company appear to be carefully invested in Mortgages and Bank Stocks, paying remunerative rates of interest. Every reasonable facility is offered to induce the public to avail themselves of the advantages