

The distances are mentioned as a matter of comparison, not from the belief that great weight is to be attached to them. Indeed we have too many opportunities of observing what fallacious deductions can be drawn from comparative distances. Nevertheless, they do form a portion of the whole problem, more or less minute, more or less governing the conclusions. It is in the application of a fact of this character, that the judgment and ability of men come to the surface. The danger of their misapplication is seen in such schemes as the Georgian Bay and Ottawa Canals, and not one of the least effective modes of considering them is to place them side by side. For as both cannot be essential, so on examination of the arguments by which both are sustained, it will be seen how in each case they are identical, viz: the saving of distance, blended with the patriotic assurance, that each passes through Canadian territory. As in these instances, so in every other, the real inquiry must lie in the effect produced. In this case, are we not asked to expend from four to five millions of dollars, so that a propeller may do at Burlington, that which can be done at Ogdensburg, with the addition of 158 miles of railway. It must be remembered, too, that the Ogdensburg route has drawn only one-twentieth part of the freight, when it was fairly reasoned it would bring a very large proportion of it. Fortunately the examination of this matter is not encumbered by considerations of custom houses, for both points lie within the domain of the United States. Certainly it is fair to ask that when it is assumed that great changes in the direction of trade will result from a policy, that some special reasons will be given for the assumption. We must say, with great respect to the gentlemen who advocate this Canal, that we can hardly recognize this assurance in the theory of the forwarder adhering to the water as long as he can or that this saving of distance is a warranty that a propeller carrying from 7,000 to 10,000 barrels of flour, will succeed, where a propeller carrying 4,400 barrels, with the distance additional by railway has failed. On the other hand, it is quite possible that it would practically prove so, if the whole system of the Canals were increased, so that a vessel capable of carrying the larger cargo could pass by the Welland Canal direct to Burlington. We are even prepared to assert that this proposition is not the same as that offered by the more limited cargo at present taken to Ogdensburg. Therefore, the argument is not without a certain possibility, that the end sought by the advocates of the Caughnawaga Canal may actually be attained; still no one can pretend that they are matters of certainty, leading up to a known deducible consequence.

It seems then the fair mode of summing up the merits of the Caughnawaga Canal is to make the starting point, the enlargement and development of the St. Lawrence navigation. Certainly without such development, it may be said that no additional trade will seek Lake Champlain. The lumber which follows the present circuitous route would pass by the new canal, but the facilities extended to it, would have no appreciable influence on the quantity manufactured. If we understand the advocates of the route, they themselves demand, in conjunction with the new canal, an equal navigation throughout, and the size of the lock as named is longer and deeper than that of the St. Lawrence lock. The doctrine then may with propriety be enunciated that it is secondary to that great work, and that it not only ought not to take precedence of it, but that as a project, it should be held to be subordinate to it. The great cost of deepening the St. Lawrence, precludes the hope that the five millions necessary to construct the canal, will be at once at our command. On financial grounds, therefore, it may be advisable to defer any consideration of the undertaking until the motive for so doing no longer exists. With this proviso, it may be said that the canal would—

1. Extend very great facilities to the lumber trade.

2. That it is not impossible that Western produce would seek its waters, and cargoes be discharged at Burlington.

But on the other hand—

3. That little is to be hoped from it in opening up a communication through Lake Champlain to New York.

As it is now known practically that a vessel can reach Boston from Montreal in eight days, and New York in nine days, it is a perfectly open argument to suggest, that with a properly constructed propeller, the route through the St. Lawrence—developed, it must be understood—from Chicago to the sea-board, may prove more economical than any other. That such vessel can carry freight at the cheapest rate, and deliver it with regularity in the shortest period, at the same time finding a market, where fuel can be the most economically purchased.

If all this be determined in favor of the sea-going route, where will be the special benefit of the Caughnawaga Canal?

THE ROYAL CANADIAN.

It is announced that Mr. Yarker, of the Bank of Montreal, has been assigned the task of investigating the affairs of the Royal Canadian Bank. That gentleman is, we have no reason to doubt, fully competent to discharge the duty in a thorough and business-

like manner; but while making this acknowledgment, we must express our dissent from those who selected him. The Royal Canadian has complained, time and again, that the Bank of Montreal exhibited hostility towards it, and we cannot see, after such complaints, the expediency or wisdom of placing the fate of the institution at the mercy of an alleged persecutor. Mr. Yarker, without necessarily being biased by his position under Mr. King, might insensibly be swayed by prejudices acquired naturally in the discharge of his duties as a Manager of the Bank of Montreal. Suppose the interest of the Bank of Montreal lay in closing up the Royal Canadian, and Mr. Yarker chose (we do not by any means say that he would do so) to give the Royal its death-blow, what is to prevent his doing it? Suppose Mr. King wished to buy out the Royal, could he not bring some pressure to bear on Mr. Yarker? We merely suppose such a state of affairs for the sake of showing the folly manifested in selecting one whose interests are bound up with the Bank of Montreal to say whether the Royal shall continue to exist or not. If Mr. Yarker report that the condition of the Royal is bad, or even throw out hints of unsoundness, what position will Mr. Crawford and the new board find themselves in? There is another side to the case. Is not the selection of an officer by the Bank of Montreal calculated to beget the suspicion in the minds of the people, that the Bank of Montreal has some mysterious, irresistible power which brings all the other bankers on their knees before it, deprecating its amnesty and asking its permission to live?

Again, suppose Mr. Yarker's report to be unfavorable to the Royal, though the Board may be bound by it, will the shareholders be satisfied that the interests of the Bank of Montreal have not prevailed. The shareholders may refuse to recognize it as a trustworthy exhibit. If so we shall have the shareholders and the directors again at cross purposes with an additional burden to bear. The Bank of Montreal will undoubtedly accept the report of its own officer, if such report be against the soundness of the Royal.

As we have said the general opinion is that Mr. Yarker is an efficient officer, but it would have been well, both for Mr. Yarker and the Royal, to have associated with him in the investigation some other well known banker. There are, Mr. Hague, Mr. Fisher, Mr. Dallas, Mr. Bethune, Mr. Moat and Mr. Morton, all gentlemen of good repute. Why not ask the assistance of one or more of these? Perhaps it is not yet too late to do so. If not, we think it will be generally conceded that such a course is likely to be more satis-