

ate increase in the gold reserve. The true policy is that of Sir Robert Peel's act of 1844, to fix a maximum issue on securities and to hold gold for every note in excess. That was the original principle of the Dominion Note Act, and it was adhered to in Sir Richard Cartwright's Act of 1875, but it has unfortunately been completely overthrown by Sir Leonard Tilley.

OVER PRODUCTION IN SUGAR.

Probably few staples of commerce have experienced a more remarkable shrinkage in cost arising from over-production than sugar and molasses, the aggregate losses upon which in the different markets of the world have been something fabulous. Advices from London, Eng., report sales of sugar a few weeks since at 18s 3d per cwt., which cost the sellers 26s, and certain heavy dealers there are known to have lost as much as £10 per ton. At the close of last week the price of granulated sugar in New York declined to \$6.37½ per 100 lbs, which, less the drawback, brings it down to \$3.58½, the lowest figure ever known before, and Canadian refiners are beginning to apprehend that importations from that quarter may be essayed; hence the break which immediately followed in this market, several large quantities of granulated being placed on Friday last at 7½c, being a decline of 1½c to 1½c from last year's prices. Nor is the statistical position at all favorable for an immediate improvement either at the great distributing centres or at points of production. On May 7th the stock of sugar in the four principal ports of the United Kingdom was 389,840,640 lbs, as compared with 218,025,920 lbs on the corresponding date last year, showing an increase of 171,814,720 lbs. The depreciation in the price of molasses has been no less remarkable, Barbadoes having been sold in this market since our last issue at 30c to 31c per imperial gallon in round quantities, showing a decline of fully 40 per cent. as compared with values at this time last year. It is computed by eminent men in the trade on both sides of the Atlantic that the losses in the world's sugar markets from the commencement of the decline and extending over a period of about twelve months, have footed up between \$125,000,000 and \$150,000,000. Such an enormous displacement of values will tend to emphasize the importance of adopting some means whereby the requirements of actual consumption will be more accurately gauged on the part of producers and manufacturers, in order that supply and demand may be more evenly

balanced. Of course it cannot be denied that speculation has also been a factor in the disastrous disturbances which have run prices down to their present unprecedentedly low ebb, but the great overshadowing difficulty of all, has been the flooding of the markets with immense surplus stocks, and until these have been worked off by the aid of increased consumption and curtailed production we may look in vain for any improvement in the general tenor of the situation.

BANK OF MONTREAL MEETING.

The shareholders in the Bank of Montreal are to be congratulated on the very satisfactory exposition of its affairs, submitted to the annual meeting, an account of which will be found elsewhere. In the unavoidable absence of the president, Mr. Smithers, the Hon. Donald A. Smith, vice-president, occupied the chair, and among those present was Mr. E. H. King, a former president, who has been cordially welcomed to Montreal on the occasion of his brief visit. There was an attempt to draw from the management some intimation as to the mode of dealing with future surplus profits, the rest having been at last increased to 50 per cent. It is not, we venture to think, difficult to make a forecast. It is not likely that the dividend will be increased beyond 10 per cent., but it is highly probable that bonuses will be given if the state of business should be such as to enable the bank to make its normal profits. The profit and loss account will doubtless be kept largely in credit so as to meet any unusual loss. We have no doubt that the proposed scheme of providing for the superannuities of the officers of the bank will be generally approved of by the shareholders. A few questions were asked, some in the highest degree absurd, such as whether the Government allowed interest on the Dominion notes held as reserves. On the whole the feeling of the shareholders was one of unmixed satisfaction at the prosperous condition of the bank.

HISTORICAL ARCHIVES.

Those who take an interest in the past history of Canada, must derive much gratification from the perusal of the annual reports of Mr. Douglas Brymner, the Dominion Archivist. The report recently issued commences with a history of the origin of the Archives branch, and it is satisfactory to find an acknowledgment on the part of the archivist, of the facilities extended to him, not only by the departments of the Imperial Government, but by those of France. The appendix to

the last report contains a number of interesting papers, viz., a "Synopsis of Papers in the Public Record Office, London," "Papers in Quebec," "Synopsis of papers in the State department, Paris." "Letters from Mr. T. Frederick Elliot to Mr. Henry Taylor, London." "Letters from the late Mr. Morin to Mr. Hincks, dated 8th May, 1841," shortly before the first Session of the Legislature of United Canada, and "Transactions between England and France relating to Hudson's Bay, 1687." All these papers possess great interest, but our space will only permit a brief reference to them. Mr. Elliot, afterwards Sir T. F. Elliot, was a nephew of the first Earl of Minto, the great-grandfather of Viscount Melgund, the Secretary to the Marquis of Lansdowne. In the family of which the Earl of Minto is the head, there have been many distinguished members of the military, naval and civil services, and not the least distinguished was Sir Frederick Elliot, who entered the Colonial department as a youth, and rapidly rose in it. Mr. Taylor, now Sir Henry Taylor, the author of Philip Van Artevelde and other dramas, entered the same department about the same period, but in a different branch. Mr. Taylor rose to be the head of the West Indian branch of the department, while Mr. Elliot was attached to the North American. When at a critical period of Canadian history, a commission of enquiry, consisting of the Earl of Gosford, Sir Charles Grey, and Sir George Gipps, was appointed to enquire into the grievances of the Lower Canadians, Mr. Elliot was selected as Chief Secretary, and while in Quebec, wrote several letters to his friend Mr. Taylor which Mr. Brymner has been fortunate enough to secure for the archives. In the Greville memoirs there is the following passage: "I have just seen an excellent letter from Frederick Elliot to Taylor, with a description of the state of parties and politics in Lower Canada, which has been shewn to the Ministers, who think it the ablest *exposé* on those heads that has been transmitted from thence." In confirmation of the foregoing opinion entertained Mr. Elliot, there is a letter from Lord Howick, the present Earl Grey, who in returning the letter to Mr. Taylor, who had sent it for his perusal, writes: "I do not know that I ever saw an account of the state of parties and politics in any country drawn up with equal judgment, and discrimination." Lord Howick adds that it establishes "all my own preconceived opinions, and views," and likewise fills up "various important parts and details in the picture, I had made to myself, of the