

land and England, has been considered a matter of great importance, and tracts of land previously almost valueless, have commanded almost fabulous prices; yet in no case which has come to our knowledge, has the product been so rich as from the New Brunswick shales.

But it is as a source of gas fuel that the great value will ultimately be become most apparent. The Regenerative Gas Furnaces, the principle of which was discovered by the Rev. Mr. Stirling of Dundee, in 1877, and described by Professor Langley in a paper read before the Royal Institution of London in 1882, are likely to effect a considerable change in all kinds of manufacturing of metal, requiring a very high temperature. In these furnaces almost any kind of fuel can be used, and the rich bituminous shales we have been describing, are particularly adapted for the purpose. For fuller information on this interesting subject we must refer our readers to Dr. Dawson's "Acadian Geology," and to Professor Hind's report, from the latter we make one more extract, showing his opinion on the value of the shales as a source of gas fuel. After speaking of the various methods in which gas fuel had been used with great success he says: "It cannot fail to strike every unprejudiced observer that these facts are of the utmost importance to the manufacturing industry of the Province. It has been shown that in the valley of the Annapolis and eastwards towards Westmoreland there is a great development of Albert shales, eminently adapted for the manufacture of gas fuel, iron ores are abundant in the same valley, either in the form of bog iron or nearly pure magnetic ores, under such conditions there is no reason why New Brunswick should not soon become an exporter, rather than an importer of iron, in all its multifarious forms."

In conclusion we would just remark, that there is no department of chemical science in which more rich and varied results have been obtained, than in the investigations made into the nature and properties of Petroleum and its kindred substances, such as the New Brunswick shales, and large as the production of Petroleum undoubtedly now is, there need be no fear but that the discovery of new uses to which it can be successfully applied, will more than keep pace with the supply.

LETTER FROM ENGLAND.

COMMERCIAL REVIEW

(Special Correspondence of the Trade Review)

[PER JAVIA]

THE Board of Trade returns for January have been published, and upon the whole the result is satisfactory. The exports for this month in each of the past three years have been as follows:—

	£	£	Total.
1887	5,214,400	7,753,000	12,967,000
1886	5,549,000	8,815,000	14,364,000
1885	3,967,000	6,822,000	10,789,000

* This includes cotton yarn.

The chief miscellaneous articles in which there has been a decrease, are the following:

	1887	1886	1885
Linen & Linen yarn	821,000	1,131,000	782,000
Iron & unworked steel	720,000	920,000	710,000
Silk yarn & silk manufactures	113,000	181,000	167,000
Woolen yarn & woolen manufactures	2,131,000	2,106,000	1,500,000

The articles in which there is an increase are not very numerous or important. Among them may be mentioned:—

	1887	1886	1885
Arms, ammunition & military stores	111,000	165,000	77,000
Beer, ale	212,000	206,000	158,000
Coals, &c	301,000	267,000	258,000

It will be seen that the trade of 1887, although less than that of 1886, is far in excess of 1885. Considering the reaction after the panic, and the unsettled state of the business market, the wonder is that the trade of the country has been so well supported.

The utter prostration of the railway system in the face of large traffic returns is one of the most remarkable of the consequences of the panic, and as this prostration extends not merely to what is known as contractors' lines, but to the best companies in the kingdom, it is worth while to point out its causes. The first of these is to be found in the vast number of extensions with which even the best lines have been loaded. The lines have been so jealous of each other and so anxious to prevent any interference with what each regards as its own territory that they have pushed

extensions on all sides, and many of these are not likely to pay any dividends for years, whilst the cost of making them, owing to the contests with other lines before the committees of the House of Commons, was very excessive. A salutary reaction has now set in, and for some years it may be expected that care and economy will be exercised in the management of railways. It would seem as if there were periodical attacks of this extension mania, followed, as in the present case, by fits of languor and caution. The second cause for the depressed state of railway property is to be found in the undue quantity of railway debentures which are on the market. These debentures amount to some £100,000,000, and are nearly one-third of the amount of the railway stocks of the kingdom. Being repayable at from 3 to 5 years, holders have the option of demanding cash for them, and there is always a large amount of them every month for which cash may be demanded. In good times all goes well, and the Companies, by issuing new debentures, can always obtain the means of paying off the old. But in bad times, in times when the rate of interest is very high, or in times like the present, when, owing to the recent decision of the Lord Justices of Appeal, a considerable doubt is thrown upon the validity of railway debentures, it is almost impossible to renew them. The remedy for this is clear. Railways should be built out of capital, and not out of loans, and the present debentures must, in so far as they are excessive, be converted into stock, and as it is too late now to make them ordinary stock a new preference or debenture stock will require to be created. On the other hand, there are purposes for which debentures may safely and properly be issued, and, I believe, within moderate limits, the present system is the best. It tests at once the credit of a railway, and is, at least, one check upon mismanagement.

There is, however, one lesson to be derived from all this confusion. There seems no reason why every railway should be made in the best and most expensive manner. Cheap, light railways for short journeys, and for joining on to the main lines, could readily be made at less than half the cost per mile which the main lines cost. In a new country like Canada there seems a peculiarly good field for such lines. When practicable it would, of course, be well to keep to the present gauge, but in many cases a departure from this, and a bold recognition of the fact that the line was simply to be a branch line, would be true wisdom.

Trade continues depressed, and money is still very cheap. The following returns from the Banks of England and France are both favourable in the sense that money is likely to be cheap, but they must also be regarded as showing a very considerable stagnation in trade.

The returns from the Bank of England for this week present the following results:

	Am. and	Inc. and	Decrease
Public Deposits	£ 3,780,000	4,512,000	£ 732,000
Private Deposits	16,926,000	137,000	16,789,000
Government Securities	13,111,000	Unchanged	—
Other securities	18,877,000	273,000	18,604,000
Notes in Circulation	21,850,000	—	21,850,000
Reserve	19,461,000	285,000	19,176,000
Reserve	12,612,000	405,000	12,207,000

The Bank of France returns are as follows:—

	Inc. and	Decrease
The Treasury Balance & the Private Accounts	1,164,000	6,995,000
The Commercial Bills	—	2,254,000
The Notes	—	10,665,000
The Cash	5,940,000	—

March 27th, 1887

II

TRADE WITH THE TROPICS.

(To the Editor of the Trade Review)

SIR, - I have noticed with much pleasure several improvements in your Review, which I am sure are warmly appreciated by the trading community of this Dominion, and I hope to see the day soon when the information and circulation shall be still more extended, and when it shall become a hand-book and guide to all our merchants.

Will you kindly permit me to make one or two observations on the means of increasing very necessary information in reference to our coming trade. One of the greatest benefits our merchants enjoy is the Board of Trade; as a means of collecting and diffusing information they cannot be surpassed, and I am of opinion that if the Board at the principal depots of commerce would issue weekly reports, an additional means of enterprisingly pushing trade would be attained. The efforts of private firms in collecting information and issuing Trade Reports are very praiseworthy and useful, but a report by a body of traders must contain

a greater accumulation and concentration of that information.

As yours is our only Journal of Commerce, such reports might be forwarded to you, and by means of your paper they would obtain a wide circulation—a trifling addition to the price would cover the extra expense—the present style for example that of Montreal, is admirable, yet if I might suggest it, such an addition as the rate of freights would be valuable. It is desirable, in consideration of our lower province business. The grain is grown by the farmer, he usually obtains his information in regard to prices from the newspapers, and so does the miller, but the shipper ought to know the expense of sale at distant as well as local markets, and a current list of freights, say from Montreal, Toronto and Hamilton, by rail and steamer, would be a valuable column, rates of insurance would make it more so. In this connection with some enterprising individual get up a "freight guide." Such would be invaluable, giving the current charges by rail and steamer in the course of our usual business, and the average rates of charter from the principal ports with whom we are in connection, Canadian, Lower Province and American.

I am glad to see that you are increasing your quotations of U. S. markets, and if our traders will only endeavour to keep before them the rates of duties charged, your list of prices will greatly tend to stimulate some branches of trade with our neighbours.

As I am a sincere advocate for the extension of our West Indian and foreign trade, and of the extension of the former, via. Quebec and Portland for Lower, and New York for Upper Canada, the rates of freight and insurance from that port to Cuba, Brazil, &c., and our own West Indies, with as much information as can be procured in aid of our export and import trade, together with reports on the state of trade in those countries, would be a means of inducing trial shipments from Canada direct. From conversation with one of the largest shippers of flour in this Province, I learn that an indisposition exists to shipping to such untried ports. I am convinced, however, that reports on the principle of those you receive from Havana, more full if possible, would be a certain means of inducing experiments, which would result in an extensive and eventually thoroughly organized trade. Considering the large export business the United States has hitherto done in native produce to those regions, it is not amiss to believe that all our surplus produce will find a ready and remunerative market there, and it behoves our Boards of Trade to bestir themselves and obtain from all available points, that much needed information, as well as the names of responsible parties to whom produce might be sent for sale. No man will send his goods to an unknown consignee, and it might be well in this matter, that Boards of Trade should encourage the effort of such correspondent, to extend the area of sales of our domestic produce and manufacture. Might we not have a Provincial Board for all Canada, meeting at intervals, and something in the style of the Detroit convention discussing commerce, new openings for trade, and matters for legislation in regard to it. I am informed by the agent of the U. S. West Indian Mail Line of steamers, that that company are about extending their route, and the secretary is at present in the West Indies for that purpose. Evidently American enterprise has not altogether succumbed to high taxation. There is much and well grounded hope for the success of a Canadian line from Halifax via. New York to the West Indies, and I hope that before the fall we shall have at least one good company in operation—a satisfactory and safe conveyance with trustworthy consignee, will be the first means to give confidence to our exporters.

If your Journal will give as much support and attention to our new foreign commerce as our Intercolonial has hitherto received from you, our trade will have a considerable aid towards its success.

HAMILTON, 2nd April, 1887.

J. S. L.

Mining.—From present appearances, mining operations will be pushed on with great vigour, whenever the snow disappears. Already extensive preparations are being made, and the coming season bids fair to be one of unusual activity in this branch of business. As formerly announced indications of gold have been discovered in the neighbourhood of Perth, and several prospecting parties propose setting out at an early date, with a view to making explorations in the districts wherein the precious metal is supposed to exist. Phosphate of Lime, Iron, and Lead, will also be mined by various companies and private individuals, and altogether the mineral resources of the County of Lanark are likely to be fully and speedily developed. —Perth Courier.