GREAT WESTERN OF CANADA.

A SPECIAL general meeting of this company was held on January 22nd at the London Tavern, to consider a communication from the Government of Canada, Mr. Alderman Dakin in the chair

Mr B Baker the Secretary having read the notice convening the meeting,

The Chairman stated that a memorandum informing the shareholders of the result of the communication from the Government had been circulated among them, in which it was stated that the terms were not so advantageous as the directors at one time hoped for The directors, however, were unanimously of opinion that although the terms were not so liberal as had been anticipated, yet, on the whole, they considered it for the interests of the shareholders to accept them The terms might not be considered favourable, but they were as good as could be obtained under the circumstances The Maritime Provinces were not so much interested in this matter as those through which the railway passed and that had to be taken into account. Seeing the unanimity of opinion that appeared to prevail among the shareholders in respect of the exertions of the directors in this matter, they were in hopes that no serious objection would be made to the proposition by the meeting The directors had been supported by holders of from 60,000 to 70,000 shares in the company who had signified their assent to the recommendations of the directors There had been only two dissentients from those recommendations; one was a holder of five shares, and the other was a holder of fifteen shares He had been asked for more minute information with regard to the loan, and he might be allowed to say a few words on that subject Many of the old proprietors would remember that the loan was contracted with the Government of Canada between 1852 and 1855 to the amount of £770,000, the interest upon which, at the rate of 6 per cent per annum, was paid up to July It had also a sinking fund of 3 per cent per annum, and at that time it was deemed desirable to pay off the loan by four annual instalments of £194,500 each Under a resolution proposed by Mr Hoyes, seconded by Mr Head, the money for paying off the debt was to be raised for that purpose on a five per cent debenture stock The first instalment of £192,500 was paid off, which then left £573 887 due Interest was paid on this sum to July 1, 1859, when the finances of the company were not flourishing. The company were compelled to ask the Government to allow them to suspend the payment of interest for three years, and likewise to continue the deduction of the interest out of revenue. The Government agreed to suspend the payment of the interest, and to pile up the interest on the balance due at 6 per cent per annum against the company. This went on for eighteen half years, in the course of which the company had not grown rich enough to pay off the debt The interest was put by each half year out of revenue, but not paid over to the Government, and the principal still remained unpaid Last year the Government applied for payment of the interest, but the directors thought that the company was entitled to some consideration and generosity at the hands of the Government. This gave rise to a long correspondence, which resulted in an arrangement with the Government His friend Mr Faulconer and himself visited Canada to ascertain the feelings and opinions of the people and see what had best be done to settle the matter They had seen members of the Government, and had done the very best they could for the benefit of the company. The assent of the authorities and the shareholders was of course conditional on an Act of Parliament being obtained There was a stipulation that £100 000 should be lodged in Canada by the 10th of February next to the credit of the company, and if the arrangement was not confirmed by the local Parliament the money was to be returned He believed the directors would have no difficulty in finding the money for that deposit, and he hoped the matter would be settled in an amicable manner The directors would call the shareholders together to consider how the remainder of the proposition should be carried out. It would on the whole, give the company substantial relief, and enable them to have a clear balance in future. The item of £573,687 in the capital account would eventually be expunged. The interest received each half-year was included in the item of debts due by the company, but not paid The reserve of the £17 400 for interest was placed to capital, and had enabled the company to lay down the third rail and do other matters for capital purposes. The outline of the settlement was that the Government would receive payment of the principal sum of £573 688 in full, by four annual instalments, with interest at 4 per cent, and in addition thereto the old interest in arrear was to be calculated at the same annual rate as the dividend earned and payable to the shareholders Thus the Government would be placed, as regarded the arrears of interest, on an equal footing with the shareholders, since the company ceased in 1860 to make its half-yearly payments of interest to the Government of 6 per cent per annum The payments were to be made as follows—The £100,000 he had mentioned, which included the commuted arrears of interest, was to be paid on February 10 next, and the balance of the capital in four equal annual instalments which, meantime, would bear interest from February 1 next, at the rate of 4 per cent per annum It was estimated that by this arrangement a saving would be effected in interest on the Government advance a ready charged against revenue of about £165,000, and the balance of the loan remaining at 4 per cent interest, instead of as heretofore at 6 per cent would afford a further relief for the remainder of the term of about £27 800 Of course, the exact figures would have to be adjusted Under the arrangement the lien of the Government on the property of the company would not in the least degree be impaired until the full amount stipulated in the new arrangement was entirely paid off The shareholders would have to meet again after the Legislature of Canada had sanctioned the settlement, to consider how the company were to raise £150,000 a year for the next four years, together with the £100,000 they were about to borrow The receipts and expenses of the company for the first four months of the current half year had been published monthly, and as compared with the corresponding four months of 1867, when the company made a 4½ per cent dividend, the net result was favourable The receipts for the seven weeks that had since elapsed amounted to £109,09?, against £97 993 in the corresponding period of 1867, showing an increase in the seven weeks of £11 197, and he hoped that rate would continue He concluded by moving that in the opinion of the meeting it was desirable to carry out the settlement of the Government loan on the basis proposed in the circular to the shareholders

Mr Hoyes seconded the motion which, after some observations by Mr Villebois net and other shareholders, was carried *nem. con.*

Mr Hartridge remarked that the support of the shareholders on that occasion resulted from the recognition of the great exertions and services of the directors in that respect, but it must not be supposed that they were satisfied with the terms. (Hear, hear) He believed the directors had done the best they could under the circumstances, and concluded by moving a vote of thanks to the chairman, directors, and the executive for their services in conducting the negotiations with the Government of Canada

Mr. Villeboisnet seconded the motion which was carried, and the meeting separated.

THE FINANCIAL PROSPECTS.

DURING the debate in the Chamber of Commerce a few days ago, on the resumption of specie payments A A Lowe, Esq complained that his introductory resolutions had been entirely overlooked, and that each member who had argued on the subject introduced a new plan of his own The complaint was very reasonable, and has a general as well as a special interest It illustrates the diversity of views that prevail upon the question of resumption, and shows the difficulties attending the adoption of any plan for the accomplishment of this desirable result It would be both difficult and useless to keep track of all the projects that have been brought forward in and out of Congress for a return to specie payment It seems quite reasonable to assume that not one of the plans now before the public will be adopted They are all more or less objectionable on the ground of errors in principle or detail, and are chiefly important as affording material or data for the elimination of the new and better system that must be adopted sooner or later.

Nearly all the plans advanced by persons having a practical knowledge of finance concur in providing for a slow and gradual process of resumption. It is very properly recognized that every shock to existing credits and business should be avoided as much as possible, and that a measure designed to establish the national credit and promote the industrial and mercantile interests of the people should be carefully matured so as to reduce the possibility of injury to any class, to a minimum That this desirable result is a matter of extreme difficulty is proved by the diversity of opinions and the multiplicity of projects now before the public

The persons who would jump at resumption immediately belong to this class of politicians. Senator Sumner proposes to resume specie payments on the 4th of July next, while Horace Greeley thinks that the best plan of resumption is to resume at once. As for General Butler his idea is not to resume at all, and to sink hard money altogether in an ocean of irredeemable paper money. Another notable proposition is to reduce the standard of coin to the value of the depreciated currency—say 75c. on the dollar pay the demoralized currency to the public creditor, and call that resumption

Of all the plans that have been brought forward, those presented by Senators Morton and Sherman have deservedly attracted the largest amount of attention, and stand the fairest chance of adoption—with some modification. Both of these plans require several years for their adoption. Senator Morton proposes during the interval to hoard gold in the national treasury and in the national banks This course would inevitably derange foreign and domestic commerce to an immense extent, and is also open to the serious objection of over estimating the available amount of gold in the United States It has been objected to this measure that it involves a double system of contraction that must paralyze business. The Government by hoarding the coin to pay off the greenbacks offers a bonus to the people to hoard the latter for redemption Senator Sherman's plan looks for a reduction of the rate of interest by the issue of new bonds payable, principal and interest, in coin, and authorizes the national banks to issue gold notes redeemable in coin after sixty days, by depositing bonds in the national treasury the same as at present. His bill is open to the objection of being too complicated, and of interfering too much with private enterprise.

Of all the measures for resumption that have been so far advanced it is probable that the one proposed by Mr Sturges, of this city, and endorsed by the New York Chamber of Commerce, is the most feasible and least objectionable. It is as follows :—

Resolved,—That the following plan be recommended to Congress, as a basis of action for the permanent settlement of our national finances :—

1.—Declare that when the debt is paid it shall be paid in coin.

2.—Legalize gold contracts

3.—Introduce the strictest economy in every department of the Government.

4.—Refuse all subsidies and unnecessary appropriations.

5.—See that the revenues are economically, energetically, and honestly collected

6.—Use all the surplus revenue in reducing the debt

7.—Take away all power from the Secretary of the Treasury to make money plentiful or scarce

8.—Let the people understand, that, while they need not fear rapid contraction it will be dangerous to rely upon indefinite suspension

9.—Contract the currency moderately the first year next year determine whether the country will bear a more rapid contraction

10.—Reduce the taxes so as to leave only surplus revenue enough sufficient to pay off annually a reasonable amount of debt.

11.—Resume specie payments as soon as a rigid adherence to the policy makes it safe to do so.

From the pressure of business now before Congress the indications are tolerably clear that no plan of resumption or taxation will be adopted during the short interval that remains before the expiration of the present body, and the inauguration of General Grant. There is apparently no time for maturing the details of the legislation that is necessary for accomplishing the great object in view Only about four weeks remains, to pass the various appropriation bills, and kill off the numerous jobs that are pressed upon Congress with a shameful disregard to exigencies of the national exchequer It is to the credit of Congress that it has so far manifested a laudable economy, during the present session It is plain that the influence of the President elect who is known to be in favor of retrenchment, begins to produce a due result on legislation.

It may be as well perhaps that the great financial uneasiness should go over to the new administration From the diversity of opinions and the conflict of interests in relation to resumption it is probable that it will require all the influence and perhaps the patronage of the new Grant cabinet to secure the adoption of any plan involving a return to specie payments The great danger is that we may drift or blunder into resumption, in place of accomplishing it intelligently and sensibly. There is a small but influential class in favor of paper money, and opposed to a redeemable currency. What is required is a wise and firm policy, a close retrenchment of expenses, and a thorough revision of our tariff and internal revenue laws These preliminaries should be regarded as indispensible to any plan of resumption.—*New York Economist*

HORSE-SHOE MAKING BY MACHINERY.

THE *Ironmongers Journal* reports that a new process for manufacturing Horse-Shoes by machinery by means of the hydraulic press recently invented and patented by Mr. Bastien, civil engineer, Paris, has been brought out here by Mr St Clair Massia, of Birmingham, who is specially entrusted with the disposal of the patent-right for the United Kingdom The advantages of this system of producing such an important every day article of commerce as the horse-shoe, are its complete efficiency and economy of production. The latter may indeed be accomplished with marvellous rapidity, one machine being capable of manufacturing from seven to nine tons of completely finished horse-shoes, averaging two pounds weight each, in a working day of twenty hours The process itself is thus described :—

Immediately the bar comes red-hot from the furnace the iron is placed either by hand or machinery, as may be preferred, in the rolling mill. Here a moveable piece on which the bar is placed receives an alternative motion from two pistons of the hydraulic press This moveable piece presses the bar between two left-hand sliding surfaces, which impart to it a bend It next meets with a die, on which it is very strongly pressed, and thus receives the definite form while at the same time the nail-holes are pierced, and by means of a spring the moveable piece recedes and allows the finished shoe to fall out into a shallow tank of water placed underneath The action of the machine suffices to make a shoe at each motion forward and back The dies and stamps are easy of adjustment, and may be immediately exchanged for the production of larger or smaller shoes, at discretion Two pressures are necessary—namely, one of from four to five atmospheres, to produce the form of the shoe, and a second of from 100 to 150 atmospheres to pierce the nail-holes The latter pressure necessitates the supply of but a small volume of water : this very strong pressure is merely required over a surface of two centimetres at the most. A movement of from six to eight strokes per minute can easily be attained by the machine thus producing as many shoes as strokes. It will be seen from this brief description, how invaluable is Mr Bastien's invention—the shoes being turned out of one uniform shape and thickness, which is utterly impossible in what is facetiously termed the *not good enough shoe* and indeed all other hand-made made shoes It will, moreover, give any ironmaster who may avail himself of this patent, a chance of getting a better price for the horse-shoe bars, by simply turning out horse-shoes instead of the iron of which they are manufactured. We understand the system has already been successfully adopted in France, the horses belonging to the Paris Omnibus Companies having been shod with shoes of this make.

A singular question is about to be discussed in the English House of Commons. Mr. Lowe, the Chancellor for the Exchequer, proposes to remove the duty from tea. When the duty was partly removed before there was a considerable increase of cotton trade to China, and he now thinks that if it is removed altogether the trade in cotton will also increase. The duty on tea is simply a duty of revenue.