

factured in that colony will have an equal, if not better, chance, with the black grades of sugar in Canadian consumption, and sees no reason why a distinction should be made by our tariff that is absolutely in favor of the poorest qualities." Mr. McLeod has simply expressed in 1884 what was told to the Canadian Commissioners who visited the West Indies in 1866, with the object of extending trade between the Dominion and those colonies. The planters pointed out that whereas the duties imposed by the West India Colonies were very moderate, and strictly for revenue purposes, those imposed on their exports in Canada were discriminative in favor of the lowest grades of sugar which were used by refiners.

The same remark would apply to the United States, the common object of the Legislatures in both countries being to compel the consumers to use the product of the refineries, instead of the high grades of grocery sugar which are furnished by the planters, ready for the consumers. We hardly think that so complete a change of policy is likely to be adopted, and even if it were, it would not meet the case. The Canadian market is altogether too limited to absorb the West Indian supply, and this is probably the reason why some Jamaica planters have sought annexation, in order to accomplish the object which they have in view, to the exclusion of their fellow colonists. We have yet to learn the result of the offers which doubtless will be made in the first instance to the United States, but which are not likely to be accepted. Our firm conviction is that no British Ministry will consent to the imposition, by the colonies of the Empire, of discriminating duties against their Mother Country. Without such discriminating duties, neither the United States nor Canada would have any object to gain by entering into reciprocal trade arrangements. As regards our exports to the tropical colonies it is a matter of no importance whatever whether they are admitted at the present low rates of duty or free of all duty. We shall continue to send fish and lumber from Canada, and the flour of the South will still be shipped from Southern ports. The difficulty will be, as was pointed out by Mr. Lubbock to the Earl of Derby, with manufactures, and precisely the same difficulty would arise in the event of negotiations with Canada. We believe that these schemes of reciprocal trade arrangements with the British or Spanish West Indian colonies are altogether visionary; and as to federation

with one or more of those colonies it is a scheme which would be fraught with ruin to all concerned in it. It is in some degree satisfactory to find that the Ministerial organ in this city is not prepared to go the length of federation, but we own that we are unable to comprehend how he reconciles reciprocity with the sugar colonies with protection to the refiners.

THE FLOUR TRADE.

The report of a sale of 10,000 bbls of flour in these times would throw the trade of Montreal into quite a fever of excitement, and every one would be asking who the wild and speculative purchaser was, although not many years ago such a transaction would have been regarded as only an ordinary occurrence; but things have wonderfully changed since then. Montreal was once the great flour centre of Canada, where all purchases were effected for Quebec, the Lower Provinces, Newfoundland, and the English market, whilst to-day it is comparatively a bye market, its principal business consisting in filling orders for local requirements. Formerly the Western millers knew of no market east of this city, whereas now they sell direct to all the chief centres between here and the seaboard. An important foreign element has also been introduced during the past twelve months, the trade here having been supplied by American flour to a very large extent, and such is the foothold it has obtained that it will be a difficult matter to expel the invader, notwithstanding the abundance of the Canadian wheat crop. During the past five or six weeks the price of flour has declined 90c to \$1 per bbl. on Superiors, and 75c to 80c on Extras, and yet at present exceptionally low prices, when the former brand can be bought at \$4.25 and the latter at \$4.15, there appears to be no inducement to anticipate future requirements, the speculative element being completely dead. Last week there was a larger export movement, the shipments being 40,000 bbls, but most of this was on through shipment, and a considerable portion of it American flour. The total exports of flour at this port from the opening of navigation to September 10th was 369,864 bbls against 350,748 bbls for the corresponding period last year, being an increase of 19,116 bbls. The stock of flour in this city is 39,475 bbls against 38,576 bbls a week ago, and 34,765 bbls a year ago.

CURRENT EVENTS.

What between the almost weekly bulletin of financial troubles from New York, New Jersey, Illinois and other States of the neighboring republic—and the record being made in Canada by men here and there of generally admitted ability, there is abundance of food for contemplation. Scarcely had the troubles of managing-president Craig of the Exchange Bank and of his brother of the Montreal Loan & Mortgage Co. ceased to form the subject of discussion than a still greater surprise burst upon us in the affairs of the Federal Bank, a bank managed by a man whose confidence in himself was second not even to that of his directors in the same party. So pronounced was this confidence that it was shared by nearly everybody outside of some leading banks, except the JOURNAL OF COMMERCE, whose article on the methods of the Federal early in October, 1876, gave rise to the bitter attacks made upon the editor from time to time in Toronto and Montreal dailies, in which the word "black-mill" was frequently used. This eventuated, scarcely two years ago, in an action at law against the editor of this journal, claiming on the part of the local manager damages of \$20,000. The action hung fire, but did not choke off comment, and was only withdrawn after the visit of president Nordheimer to Montreal on his urgent expedition, scarcely three months since.

A few mornings ago a new sensation awaited the public, when it became known that the general manager of a day, Mr. Ingram—who has had control of the Montreal branch and its up-town savings branch since its opening, scarcely two years ago—had departed for New York. This of itself might have caused only a passing notice had it not been followed by a seizure before judgment upon his effects at Pointe Claire, a suburban village up the river where the banker has been living since the sale of his magnificent household goods from his former town residence, a year or two since. Mr. Ingram, whose ability is at least equal to his discretion, is not likely to have become involved in any affair that could not bear another side of the story, and is said to be determined to return to Montreal to fight it out. His departure will probably lead to some entanglement with one of the customers of the bank, which may result in disclosing a feature of banking not very common in Canada. James Wright & Co. contracted a few years ago to build an addition to Mr. Ingram's then residence on Dorchester street, the amount to be \$3,000. The extra work raised it to some \$3,500. The firm were allowed to open an account with the bank. Paper to the amount of six thousand dollars was discounted by means of a party who was ready to lend his name on condition of being allowed a moiety of the "commission" charged to the customer. When the note became due it was renewed for another month. We are not informed whether a commission was charged this time—after the manner of legal gentlemen who negotiate short loans for the Ontario farmers. Another transaction involving a note for \$4,000, given long before that already referred to, was also a drag. This note was retired by placing