

nugatory any good effects from the money, if an attempt were made to expend such a sum.

We do not, for these reasons, see any practical objection to giving 25,000,000 acres of our public domain in the North West as a part of the price of building the Pacific Railway to a great company. The lands, of course, will only be handed over as the work progresses, the company being sure of getting possession as fast as the progress of the work will warrant.

The amount to be paid in money, if it has been correctly stated, is large; but, large as it is, it has the merit of being a definite amount. The theory probably, is that an additional quantity of land can be sold, out of which this sum can be realized, sooner or later. This we take to be the meaning of the assertion frequently made, that the road will not, in the end, lay any burthen upon the country. But if a railway fund is to be made out of the proceeds of the sale of lands, the sales will have to be made on the best terms possible, which will imply the least possible restrictions, if any, upon purchasers, in the way of conditions which, though under circumstances desirable, might prove repellent.

CANADIAN BARGES IN AMERICAN WATERS.

A new reading of an old law has ruled out of the privileged circle Canadian barges employed in American waters. The Treasury Department, at Washington, besieged with complaints that Canadian built barges were being employed by American owners, in American waters, the Secretary of the Treasury, under the inspiration of a happy thought, obtained a legal opinion on the point, and the result is as stated. Henceforth Canadian built barges, subject as they will be to a tonnage duty practically prohibitive, will have to be withdrawn from the prohibited waters.

We are not going to complain of this decision. It is one item more in the array of evidence which shows how two countries may inflict mutual injuries upon one another. In this case, the injury will be reciprocal. Americans will be quite as much injured by it as Canadians. The barges, though built in Canada, were in the hands of American owners. They can be built cheaper in Canada than in the States. The American shipper by purchasing them gets part of his apparatus at a reduced price, and is enabled to carry produce at a lower figure. The cost of freight being reduced, the United States are the better enabled to compete with other countries for the supply of food

to countries in which the crops fall below the level of the demand. American agriculture is thereby encouraged. It is impossible to go into figures: we can only state tendencies, and the tendencies must be in the direction indicated.

It would be easy to show that the complainants, at whose instance this new reading of the law has been made, are going against their own interest. It must be their interest to be able to buy barges in the cheapest market. But they did not look at the matter from this point of view. Possibly their intense patriotism had led them to prefer the dearer American barges, and they did not like to see their competitors, though their own countrymen, making use of cheaper barges.

The new reading of the law is quite contrary to the old one. Previous Treasury instructions treated Canadian built barges just as a Grand Trunk car travelling to California, might be treated. It has no motive power of its own, and cannot go without the aid of some extraneous force which, in this case, was the mark of the national vessel. The tug must be national, the barge which it took in tow was looked on as being as cosmopolitan a thing as a freight car. This was the old reading. The new reading makes the helpless hull a national, or, as the case may be, a foreign vessel. We are not going to say that one reading is better than the other, but it is not improbable that the Treasury Department can buy legal opinions of the matter most to its liking.

This does not look well for any valuable result that may be expected from the Shipping Convention, which is to be held in Boston next month. The shipbuilders have the strongest motives to pull together; their interest is personal, that of shippers is only public, and all experience shows that men will fight harder for themselves than for that compound thing called the public, in which individuals feel only a general interest.

A lessened demand for Canadian barges will be another blow at our shipbuilding interests. Wooden vessels have not much of the favor they once possessed; and the decline in the construction of wooden ships followed, as a matter of course. All this we cannot help. What we can do, is to refrain from burthening the raw materials used in the construction of wooden vessels with onerous duties: we can make these materials as free as possible. If that does not save the remnant of our shipbuilding interest, we must turn the labor, skill, and capital employed in this industry into some new channel, where circumstances do not preclude the possibility of success.

BANKING REVIEW.

We congratulate all who take an interest in the monthly statement of the banks to the Government on the unusually early appearance of the August figures. The disadvantage under which we labored last month has now been removed, and we are enabled to present our readers with an exact comparison between the returns for July and August as given under the provisions of the Act relating to banks and banking passed at the last session of parliament:

LIABILITIES.		July 31, '80	Aug. 31, '80
Capital authorized....	\$57,466,666	\$57,466,666	
Capital paid up	53,097,128		53,107,918
Notes in circulation..	17,608,590		18,760,949
Dominion and Provincial Gov't deposits..	8,294,485		9,238,560
Deposits held to secure Government contracts and for Insurance Companies	832,048		844,598
Public deposits on demand	38,844,350		39,222,843
Public deposits at notice	29,319,184		30,069,555
Bank loans or deposits from other banks secured	55,000		40,000
Bank loans or deposits from other banks unsecured	2,530,373		2,137,964
Due other banks in Canada	1,158,736		1,052,399
Due other banks in foreign countries ..	73,958		57,468
Due other banks in Great Britain	685,433		397,140
Other liabilities	219,191		268,308
Total liabilities ...	\$99,621,348		\$102,109,419
ASSETS.		July 31, '80	Aug. 31, '80
Specie	6,554,938		6,612,675
Dominion notes	9,872,932		9,862,838
Notes and cheques of other banks	3,073,701		4,177,535
Due from other banks in Canada	2,813,989		2,491,408
Due from other banks in foreign countries.	28,636,695		26,249,893
Due from other banks in Great Britain....	1,081,519		2,611,667
Assets immediately available	\$52,033,774		\$52,006,450
Dominion Government debentures or stock.	1,192,878		1,014,668
Public securities other than Canadian	697,038		1,280,153
Loans to Dominion and Provincial Governments	1,336,672		1,298,916
Loans on bonds or debentures	4,785,686		5,306,017
Loans to municipal corporations	851,734		882,348
Loans to other corporations	3,761,082		3,968,267
Loans to or deposits made in other banks secured	29,867		39,967
Loans to or deposits made in other banks unsecured	651,308		682,544
Discounts current	86,096,727		87,119,708
Overdue notes unsecured	1,909,424		1,931,035