

cess produce satisfactory results the last objection might be obviated. As it is, the steel rails are expensive, about fifty-five dollars a ton, laid down in Canada, represents their cost, while iron rails can be laid down at from \$39 to \$43 per ton. We believe the Toronto Rolling Mills would take a contract to deliver iron rails at \$50 a ton, and guarantee them for ten years. It is possible that the Bessemer steel rails may be lower in price, as the patent will expire next year, and with it the \$7.50 a ton royalty. But iron has gone up in price £1 a ton, so that it is doubtful whether any sudden reduction in the price of rails will ensue.

GRAND TRUNK.

The last half-yearly report will be read with considerable satisfaction by those who have an interest in the Grand Trunk Railway. An increase in gross revenue of £27,824 has occurred; and the Directors see every prospect of being able to pay the interest for the current half-year on the first preference bonds. The gross receipts on the whole undertaking for the June half of 1869 were £674,621 sterling. There is no lack of traffic; in fact large quantities are refused from the inability of the Company to carry it. No one can fix a limit to the possible expansion of its traffic. Freighters are now forwarding their own cars, and there are about 300 cars so constructed as to proceed from Boston to Chicago without breaking bulk. As the Western States grow and prosper, and as the various new railways develop our extensive back country, business will crowd on the Company to an extent that will only be satisfied with a double track. Mr. Brydges may not be the most successful manager in the world, but it would be difficult to find one more competent to take charge of 1,377 miles of railway, and few who would be as successful as he has been in providing for the difficulties with which the Grand Trunk has had to contend.

It is reported that the funding scheme of Mr. Secretary Boutwell is not likely to pass during the current session of Congress. The contemplated disturbance of the five-twenties imported an element of uncertainty to these securities. The steady decline in gold is attributed to the purchase of government obligations with the surplus revenue, a large amount of gold being thereby placed on the market, and the failure of speculators to affect the market since the panic of September. The increased export of securities is another cause, as thereby foreign exchanges have been kept easy. The course of the commerce of the States has also favored

a decline in the premium on gold by lessening the occasion for the shipment of specie. From January to December the export of specie amounted to \$31,199,000, against \$69,988,000 for the same period of last year.

TRADE REVIEW.

The remarkable mildness of the season, so far, is causing more than the usual notice to be taken of the uncertain weather. Up to this date there have been only one or two days of sleighing in the city, and though there has been considerable more snow further north, we believe the ground is now becoming somewhat bare, so that a slight thaw would destroy what sleighing is left. The heavy rain which fell last Monday, and which seemed to be general, was as unlike what we expect in Christmas week as anything could possibly be and we believe it to be a fact that in the social gatherings customary at the season, the fire has gone out without its being noticed.

There are advantages and disadvantages in this, as in almost everything. The disadvantage is that roads are difficult and uncertain, within a certain distance of the Lake, and until the snow comes it will be hard for farmers, who have any distance to travel, to get into the towns. On the other hand the mild weather is most favorable for the prosecution of the railway work now being energetically pushed forward in various parts of the country. The contractors on both the narrow-gauge railways centring in this city are busy with their heavy cuttings, and have good hopes of getting a considerable portion of their work done before the close of winter. Gangs of men are being employed at fair wages along both lines, and through all the region between Toronto and Orangeville on the one side, and Toronto and Uxbridge on the other. The influence of the railway work is perceptible everywhere. A commencement is at once to be made with the extension of the Northern Railway into the Muskoka region.

The retail trade peculiar to Christmas, we believe, has been very brisk, and there is nothing in the outward aspect of our towns and cities which would indicate anything but prosperity. There is undoubtedly much money in the country, and even if the present year falls short, as it will, of the expectations that were formed of it, there is no doubt that it will be one of average prosperity. The crops, it was, at one time, thought, would be the richest that Canada had ever harvested; but men's expectations have been considerably sobered down by bad weather and low prices. If we realize as much money for our crop as we did last year, we shall do very well; and judging from the increase in circulation during the fall, as shown by the bank returns, this is quite likely to be the case.

The increase in circulation is found by experience to be a fair test of the amount of money disbursed amongst the farmers for the crop. In this year there has been an increase of \$5,000,000, between July and November, against \$4,900,000 last year. The total amount disbursed, must there-

fore have been nearly equal in both years, and by far the larger part will have gone into the hands of the farmer. It is to be remembered too, that the amount of grain now in the country must be considerably larger than it was last year at this time; at all events, there is a very general impression to that effect in every quarter. If this be the case, in spite of the drawback of short crops, or no crop at all, in the north-western counties, it is very possible that the net result may exceed that of last year. It should not be forgotten that pork and butter, have been high, though against that may be set off the low price of beef, oats and rye. Taken altogether, it is more than likely that the net results of the harvest will be fully equal to the average of past years.

The productions of the forest in the way of square timber and sawed lumber, are not of the importance to this part of the country, that they are to Canada as a whole, but the industry is a growing one, and the opening up of new tracts of pine by means of the railways running north and north-west, along with the further development of the regions bordering on the Georgian Bay, will tend to augment the volume of production and increase the net result. The preparations made for work in the woods, this year, are considerable—perhaps as great, on the whole, as last year, though there is an apprehension of over production in sawed lumber.

The action of the new Finance Minister in asking for tenders from the various banks, for exchange on England, and buying from two of them, is viewed as a practical proof of his earnestness in determining to put the government in its proper position with the financial institutions of the country.

So long as the agreement with the Bank of Montreal lasts, the Government account must be kept there; but there appears to be nothing to prevent the Government buying its exchange in the cheapest market; and certainly judging from the prices paid for exchange to the Bank of Montreal, according to the published statements, there was need to introduce a little competition. We fancy the Finance Minister in this instance has saved about one per cent.

CONNECTICUT MUTUAL.—The gross expenses of this Company were stated in our issue of a fortnight ago at 13.41 per cent. of the gross receipts against an average of all the American Life Companies of 17.31 per cent. These are the correct figures for 1867; but those for last year are much more favourable, being only 11.63 against an average of 17.90, being less than those of any other American Company doing business in Canada.

SCOTTISH IMPERIAL INSURANCE COMPANY.—This Company commenced business in the Dominion some time ago, with Mr. H. J. Johnston, of Montreal, as general agent, having made the requisite deposit with the Dominion government. It is comparatively a young company, and is under the management of a number of Glasgow merchants, said to be prominent, wealthy and influential men.