

WHILST the United States are in a whirl of political excitement, and threats of revolution are being uttered on both sides, it would seem that the secretary of the Treasury is steadily working to reduce the nation's indebtedness, and that the work is progressing favourably. The energy and determination which are being displayed by Mr. McCulloch present a marked contrast to the conduct of many other departmental chiefs, who seem to be far more engrossed in the triumph of the political faction to which they belong than in the peace and prosperity of the country. The American debt reached its largest dimensions about fourteen months ago—August, 1865. It was then nearly \$2,333,000,000. Since Congress enacted such heavy taxation, there has been a slow but steady decrease in the volume of indebtedness. Almost every monthly statement published, has shown some progress made, the total amount of reduction up to the 1st of October being no less than \$48,916,334, reducing the total debt to \$2,573,339,942. The following figures show the state of the debt on the 1st of August and the 1st October last.—

From these returns it will be observed that during the two months—August and September—the Treasury Department paid off \$59,702,330. This must be considered very satisfactory progress. During the past four months the rate of reduction has been much more rapid than for the previous ten or eleven months. During the latter period the average monthly decrease was about \$12,500,000; but for several months past it has doubled, and at least \$25,000,000 per month have been either paid or are lying in the Treasury vaults available for that purpose. The increased amount at the disposal of Mr. Secretary McCulloch arises from the increased production taking place throughout the Union, and the retrenchment being continually made in the federal expenditure. Through course of time, if the present taxation is kept on, there will be still larger sums available to decrease the volume of indebtedness—but we can hardly expect that the people will long submit to the enormous taxes which they have now to pay. The demand for lower taxes must soon become overwhelming, after which the Secretary will do well if he pays up as fast as he is doing at the present time.

Judged by the light of European experience, the debt of the United States would take centuries to pay off. In fact, the indebtedness of the States of Europe generally, appears always to be augmenting—never declining. Great Britain, as about the only power which has lowered her national debt at all, and the reduction made by her is very limited. All the principal powers owe pretty round sums. By a recent return given by the *Bullionist*, an English authority, the United Kingdom owed in 1855, £38,829,333; France, £39,988,955; Russia, £263,069,614; Austria £247,604,414; Italy, £176,225,030; Spain, £163,927,471; and Turkey £49,000,000. These States—all probably but England—now owe rather more than the sums given above, and the tendency of their debts is almost invariably upwards. With the United States, however, the case is different. Although their debt is larger than any of those mentioned above but that of Great Britain, the rapid progress in wealth and population the Republic makes, enables its Finance Minister to carry on the process of reduction with energy and success. Those who have not given the subject consideration, will be surprised to learn that if the United States continue to pay as much on its debt as it has done during the past four months, it will not owe one dollar at the end of ten years! We do not expect this result will be achieved, for we do not think, as we have already said, that the people will long submit to the oppressive taxation at present imposed. But that this result is possible, if the present taxes are continued, will be readily seen by a simple calculation. On June 1st last, their debt was \$2,670,288,367, and on the 1st of October it was \$2,673,336,942; this shows a reduction of \$96,951,425 in four months. For purposes of calculation, we will consider this to be \$25,000,000 per month, which would amount to \$300,000,000 at the close of twelve months. Multiply this sum by ten

The greatest danger Mr. McCulloch has to fear in his laudable efforts to reduce the financial pressure bearing on his country, is the incurring of further heavy expenditures. This contingency is not improbable. The attitude of the Federal Government towards foreign powers is by no means conciliatory, and, not unfrequently, is positively insolent. This spirit may some day provoke difficulty with some foreign power, one result of which would certainly be an increase of indebtedness. Signs are not wanting, too, that their own national troubles are yet unsettled, and that the political demagogues who sway the mob—their passions inflamed against each other—may again light the torch of civil war in their base struggle for office and spoils. Such a contingency as either of these might indefinitely postpone the settlement of the American debt—might, in fact, render repudiation as popular as it is now the opposite, for the opinions of the voting classes are very changeable. But if peace prevails, and the energies of the Government continue to be bent towards liquidating the public debt, the whole vast amount may be paid off with a rapidity which will astound the world.

Both for the sake of the Republic and the entire American Continent, it is to be hoped that wise Statesmen may be raised up to guide our neighbours' destinies. We regret to have it to say, that few evidences of wise counsels are manifest throughout the Union at present; but we hope the elections taking place this fall, will increase the number of wise and good men in Congress. Were more of such men as the late President Lincoln and the Hon. Mr. McCulloch, placed in office, there would be room to indulge better hopes for the future peace and prosperity of the whole Continent,

For the month ended 31st September, 1863.

NAMES OF THE RAILWAYS.	Passenger- rates.		Mails and Freight rates.		Total. 1896.	T. al. 1895.
	\$	\$	\$	\$	\$	\$
Great Western Railway.....	123,930	10,222	103,169	297,311	399,642	
Grand Trunk Railway.....	304,351	24,560	287,384	716,720	747,600	
London and Port Stanley Railway.....	1,498	114	1,178	3,380	7,633	
Weland Railway.....	1,333	1,215	8,942	11,422	18,456	
Northern Railway.....	22,152	2,752	23,483	60,410	60,211	
Port Hope, Lindsay, and Beverton Railway.....	1,452	131	9,701	11,387	11,633	
Port Hope and Peterborough Railway.....	1,452	57	6,519	8,178	8,490	
Thouart and Peterborough Railway.....	3,819	1,481	6,623	10,926	1,893	
Brookville and Ottawa Railway.....	6,681	576	1,905	9,122	8,273	
Carleton and Ottawa Railway.....	
Stanstead, Sherford, and Chambly Railway.....	
St. Lawrence and Industry Railway.....	
Total.....	496,933	41,171	651,666	1,089,990	1,106,839	

JOHN LANGTON, Auditor.

A VERDICT for the sum of \$2,000 was given in a case recently tried at Whittby, C. W., which is of interest to the commercial public. The plaintiffs were the Messrs. Gibbs, of Oshawa, and the defendant, C. D. Gildersleeve, Esq., of Kingston. From the report of the case, it would appear that the defendant entered into an agreement with the plaintiffs to convey 2,500 barrels of flour to Rochester, before the Reciprocity Treaty expired. Like all produce dealers at that time, the Messrs. Gibbs were anxious to get their flour into the United States markets before the present scale of duties was imposed and this condition was of the essence of their bargain with Mr. Gildersleeve. The latter failed to convey their flour to Rochester as stipulated, and, in fact, does not seem to have made the attempt at all, giving, as a reason, the unfavourable state of the weather. His vessel, the "Corinthian," took a cargo from Port Hope, however, and might have made, at least, one trip with the plaintiff's flour. The plaintiffs went into Court asking damages to the amount of the duties which had to be paid in consequence of the non-arrival of the flour at its destination before the treaty expired. After a trial ably conducted on both sides, the jury gave the plaintiffs a verdict for \$2,000. This case is one of interest to shippers and others, and conveys the lesson that persons should be very careful about making agreements which they may find themselves unable or unwilling to fulfill.

The following is the last (James M. Lawton) Havana Prices Current of Imports, dated 13th Oct.:—

[illegible]

<p>Large supply.</p> <p>With some slight demand.</p> <p>Pair demand.</p> <p>Single prices, 37 1/2 to 50 1/2 c.; Manila, 50c. to 60c. per 100 lbs.</p> <p>In request.</p>	<p>Large stock and up sales.</p> <p>" "</p> <p>Very abundant.</p> <p>In request and scarce.</p>	<p>Large stock, and inferior abundant.</p> <p>Superior scarce, and inferior abundant.</p> <p>In request.</p>	<p>Pair demand.</p> <p>Fair demand.</p>	<p>But, with large supply</p> <p>Selected.</p> <p>Stock large, and not too well.</p> <p>Superior selected.</p>	<p>Large draft.</p> <p>" "</p> <p>" "</p> <p>" "</p>	<p>For duty, 20 p cent., and on sales.</p>
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EXCHANGE.—London 60 days	1½ to 20	per cent prem
Paris "	6½ to 7	per cent prem
New York "	2½ to 2½	per cent dis
" "	Payable in gold 8 to 8½	per cent prem
" 3 to 5 days.	" 12½ to 13½	p. c. prem