lumber must be shipped in a green or undried state, hence the sawing of the shooks is done in the fall and early winter months; the boxes must not be manufactured and left to dry, but shipped as soon after being sawn as possible. This feature of the business works most advantageously for this port, inasmuch as the manufacture and shipment of spruce lumber comes to a close with the cold weather, and the requirements of the shook trade come in to keep mills and men employed well into winter.

Shipbuilding too, has assumed a phase of activity exceeding any that has characterized this branch of business for many years. Formerly, large ships were built for the English market; now a class of tonnage of less size is built and owned here, and the past few months have witnessed a greater disposition to invest in that class of property. Many persons in other trades put some of their surplus means in shipping, and having found it fairly remunerative, the tendency to become owner of a share in a ship is increasing, being stimulated, also, by a general opinion that this kind of property will be increasingly valuable, through the dying out of the United States marine.

A careful survey of our position leads to the conclusion that never in the history of the Province has the commercial soundness of the trading community stood higher, and in this prosperity all classes participate.

A large share of public attention has of late been absorbed by the contemplated River du Loup Railroad—a project which is considered to be in a fair way of accomplishment—when completed, it will be another link connecting the seaboard Provinces with Ontario and Quebec, to their mutual advantage.

THE INSOLVENT HOME INSURANCE COMPANY.

When announcing the failure of the Home Insurance Company of New Haven, some time ago, we were not aware that there was so large an amount of unpaid losses in Canada as we have now reason to believe there is. This affects the position of Canadian policyholders very much. It also explains the reason why the Government refused to allow that Company to apply a portion of its deposit towards the re-insurance of its current risks with the Provincial. It is stated that there are old marine claims which have been for years in suit; fire claims especially in Quebec which were unsuccessfully resisted; new claims arising from time to time under policies in force; and last, but not least, legal expenses, which will absorb the entire deposit, and leave a considerable percentage of the claims unsatisfied. The amount of claims already notified are said to exceed $60,000.

We understand the Provincial has been taking advantage largely of a clause in the Home policy which enables the holder to surrender it and receive back from the Company a portion of the unearned premium. The Provincial offers its policies, taking the Home's in part payment at the surrender value; or it offers a policy to run from date until a year after the expiration of the Home's policy for one year's premium and the assignment of the Home's policy.

It may not be easy at first sight to see the advantage of this arrangement; but, on reflection, it appears that as the expense of commission, &c., on the part of the Home's premium surrendered is avoided, the Provincial has the chance of gaining all it eventually realizes over about 70 per cent of this surrender value. It will also have the "good-will" of a large business, which is all the more likely to remain, from the fact that it is obtained upon terms favorable to the assured. If the policyholders of the Home are unanimous in availing themselves of this arrangement, it will place matters in such a shape that the distribution of the deposit of the insolvent concern may be sooner made. We cannot see that there should be any hesitation on the part of the policyholders of the Home in falling in with the liberal proposals of the Provincial at once.

BUSINESS PROSPECTS IN MANITOBA.

We have been at some pains to learn, from visitors to Manitoba and from correspondents there, the state of commercial affairs in the new Province, and the prospects for wholesale traders in the Central Provinces doing a healthy and increasing trade with that Western Terra Nova.

We subjoin the impressions gathered:—The presence of the volunteers and troops, and the consequent increase in value and price of whatever the farming community had to sell, made business active and prosperous during 1870. Merchants and traders in the settlement are shaping their course to meet the new order of things. The terms merchant and trader are used distinctively. There are some dealers who buy in St. Paul and sell to farmers and town residents, some who buy there and trade goods for furs, and some who import from Canada or Britain and combine fur trade with local sales.

The fur trade, with its great possible profits, and also its attendant hazards, will hereafter more likely be left to traders outside the limits of the province, while those now in the settlement will drift gradually into the ordinary country trade of Canada.

Profits are at present good—50 to 70 per cent. can be realized readily; and although inevitable competition will reduce them shortly to near the usual Canadian standard, still the merchants who now have a footing, and through their knowledge of local customs and language, can control, in a measure, that branch of the trade, are almost certain, with good management, to become increasingly prosperous.

With the immense back country, the market there is rarely glutted with goods, and an increase of importation does not appreciably affect any except the Hudson's Bay Company. Of ordinary country merchants there are probably enough just now for the population; but of mechanics and tradesmen, such as tinsmiths, carpenters, tailors, saddlers, shoemakers, there are but few, and those now here are busy and prosperous.

There is unfortunately much intemperance in the community; it is not long since it was "the fashion" in the settlement to drink hard, and that evil still exists to an extent which alarms a new-comer. The local idea of a merchant or a tradesman's probable success, is formed largely from the indications of his habits in this respect. The increase of immigration, however, and the introduction of other recreations than the "meeting of drouthy neebors" will effect a change for the better in social customs.

The want of banking facilities is beginning to be felt; the only means of transmitting monies or securities having been through the Hudson's Bay Company, or through Hamilton or Montreal houses, having resident agents or partners. Application has been made for a charter to incorporate the Bank of Manitoba, and it is not improbable that the Bank of Montreal will open an agency in Winnipeg in the coming Spring; a move of this sort will also be a very great convenience to the population, while being a necessity to the government.

HOW FIRE INSURANCE RATES ARE MANIPULATED.

We understand that considerable dissatisfaction is felt by the representatives of certain leading British fire insurance companies doing business in Toronto, with reference to the recent action of the School Board, in dealing with the insurance of the school property. The facts as reported to us are:

In the past, these risks have been given to the local companies, the Imperial securing a share through the Agent's connection with the Corporation. This year, the Trustees, being of opinion that they were paying too much for these insurances, owing to this system of favoritism, decided that they would obtain sealed tenders from the principal offices for the insurance of their risks. Accordingly, their Secretary was instructed to invite tenders from the different companies. He also waited personally upon some of them with the view of obtaining offers for insurance under a three year policy. The Western and British America had submitted tenders previously, for a similar policy, their rate being 2 per cent., then 1½ per cent., which being deemed excessive they were applied to again to modify it, but declined conceding any reduction. When the several tenders were opened, it was discovered that the offer of the North British and Mercantile was the lowest, conforming to the terms of the application