

1873. APRIL. 1873

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## ALL DEPARTMENTS

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The Inspection of the Trade Invited.

*Bryce McMurrich & Co.*34 YONGE STREET,  
TORONTO.THE MONETARY TIMES,  
AND TRADE REVIEW.

TORONTO, CAN. FRIDAY, JUNE 27, 1873

THE CONSOLIDATION OF THE  
DOMINION.

Another stone has been added to the edifice of the Dominion. The terms agreed upon for the admission of Prince Edward Island, were promptly ratified by the Parliament at Ottawa and the Legislature of that Province, and only the formality of Her Majesty's proclamation is necessary to unite our future destinies. The royal mandate will shortly be issued, and then the grand scheme begun in 1864, of uniting all the British American Provinces under one government, will be complete, save and except the island of Newfoundland whose annexation cannot long be delayed.

We welcome Prince Edward Island as a valuable member of our young confederacy. Though the smallest of the Provinces, it is exceedingly fertile and prosperous, and with its splendid position on the sea-board, adds not only to the importance and attractiveness of the Dominion, but must have an important future before itself.

The terms of union indicate that our new fellow-citizens have not only a good opinion of their sea-girt Province, but are wide-awake in making a bargain. They had good grounds for the rejoicing which took place in their spirited capital, Charlottetown, when the Hon. Mr. Pope and the other delegates returned from Ottawa, for the terms obtained were so liberal, that, strictly judged, they border on, if they do not overstep the limit of fairness to the other Provinces. Besides the charges undertaken by Canada of the Lieut. Gover-

norship, superior courts, customs, post office, fisheries, militia, geological survey, penitentiary, and other items common to all the provinces, Prince Edward Island is to receive not a few special advantages. Her debt is to be considered \$4,701,050—an average of \$50 per head, and nearly double that of the older Provinces. There is to be advanced the sum of \$800,000 to enable the Local Government to get rid of the land tenure, much of the island being at present owned by large absentee proprietors. This is a greatly needed reform, and will undoubtedly, when carried out, add materially to the existing prosperity. To support its government and legislature, there is to be an annual grant of \$30,000, and the usual 80c per head of the population. The population by last census (1871) was 94,021, so that the payment under this provision will be \$75,216 per annum, until the next census in 1881.

Besides the foregoing, which, are the principal financial conditions, efficient steam communication, both for passengers and mails, is to be kept up with the Island during both summer and winter, and also telegraphic communication. Our government was also induced to give \$69,000 for the building in which the law courts and registry office are, \$22,000 for a steam dredge now in course of construction, and, in a word, the Islanders abundantly proved their ability to make a good bargain—a fact which is none to their discredit, but which will, we hope, be turned hereafter to the benefit of the Dominion generally.

By a return laid before Parliament just before its rising, the revenue of Prince Edward Island was shown in 1871-2 to have been \$385,014, and last year, \$395,473. The expenditure undertaken by the Dominion is very considerably larger than these amounts, and we are not surprised that in Parliament and through the press, the question has been asked: if all the smaller Provinces continue to receive more from the treasury annually than they pay in, how long can our finances endure the strain? We are not averse to the discussion of this point; nevertheless we rejoice that Prince Edward Island has become part of Canada even on the terms stated. We need no better evidence that it is a valuable acquisition, than the returns of its annual commerce, which are creditable for a community of less than 100,000 souls. In our Customs' returns, its transactions with the Dominion, are mixed up with those of Newfoundland, but next to Great Britain and the United States, we do the largest trade each year with those two Provinces. In 1870-1, our transactions with them amounted to \$3,377,166, and

last year, 1871-2, to \$3,694,762—an increase of 9.40 per cent. With no barrier in the shape of a tariff between the Island and the Dominion, there can be no doubt that our annual transactions will largely increase to our mutual profit.

The admission of Prince Edward Island renders certain the consolidation of the Dominion at an early day. It is said that indirect efforts have recently, or are about once more to be made, to induce our coy northern friends to put the cope-stone to the Confederation of British America, and we do not believe that now being left, like "the last rose of summer, blooming alone," the people of that Island will long consent to remain in isolation. We hope the friends of union in Newfoundland will take courage from the action of Prince Edward Island, and that before another twelve months have come and gone, the consolidation of the Dominion will be complete.

## BANKING REVIEW.

The drought which has now continued some weeks with hardly a break has already done fatal injury to the crop of hay, and the crop of spring wheat has suffered to a serious extent and will be totally ruined unless we have early and copious rains. Fall wheat is generally looking well, but the yield of this crop will be heavily diminished by a continuance of drought. European markets are dull and inclining downwards, so that holders who bought during the winter are perplexed how to act as there seems almost a certainty of realizing now at a considerable loss, and the difficulty is how to reduce that to the lowest figure, all hope of a margin of profit being gone. The threatening aspect of the weather and so heavy a volume of business having been done through the winter without any adequate profit, naturally exercises a depressing influence in business generally, which is just now unusually dull.

In no department of the trade of last year has the disappointment in the year's operations been greater than in wool. Purchases were made very extensively last season at very high prices; as much as 60 cents being paid in some cases. Since these were effected prices have steadily fallen, and after being held for the greater part of a year and heavy rates paid for accommodation, wool is being shipped at far below cost. There is in fact a strong tendency in our merchants to compete with each other in the extent of purchases at the opening of every season. An idea seems also to prevail amongst many that an article being held largely by a few speculative