may select National Banks to be depositories of public money (except Custom duties,) and to be employed as financial agents of the Government.

10 The Federal taxes to be paid by National Banks shall be one per cent per annum on the average amount of their Circulation, half per cent per annum on the average amount of Deposits, and half per cent per annum on the amount of capital *not* invested in United States Bonds

11 The Federal taxes to be paid by *State Banks* to be *ten* per cent per annum on the amount of their Circulation, and corresponding rates on their deposits and capital.

12 Each National Bank to forward to the Comptroller quarterly full returns of its condition and business, and also monthly returns of a less elaborate character The Comptroller may, at his discretion, order a personal verification of these returns

13 All laws relating to usury which may prevail in the several States to continue in full force, and to be applicable to all transactions of National Banks.

Such is an outline of the scheme under which the National Banks have grown up.

It admits of being reduced to the following summary of principles, viz:—

(I) The establishment of almost absolute control by the Federal Executive at Washington over all the National Banks The Secretary of the Treasury, at his *discretion*, can authorise the formation of Banks in all places of less than 6 000 inhabitants,—he can select National Banks to be depositories of public money and Federal financial agents;—he can constantly interfere in the affairs of each Bank, by rigidly enforcing the condition that the Notes furnished shall be only ninety per cent of the *market value* of the Bonds lodged;—and he can, at his pleasure, tighten or relax the power of affecting the credit of any Bank, by directing the visit to it of a Special Inspector.

(II) The establishment of a Circulation of at least 300 millions of Dollars of National Bank Notes, ultimately payable by the Federal Treasury out of the proceeds of Federal securities—that is, of 300 millions of what may be called Greenbacks No 2. These National Bank Notes to be forcibly substituted (for the ten per cent tax on the circulation of the State Banks is virtually prohibitory) for the Notes of the Banks previously existing under laws and constitutions adopted in the several States The 300 millions of National Bank Notes to be apportioned over the country *virtually* at the discretion of the Secretary of the Treasury

(III) The sudden and complete creation of a Federal Government Banking Organization of the most absolute character, differing only from the Bank of France in the circumstance that instead of creating, as in France a large Central Bank, with a monopoly of circulation and a monopoly of branches, and a management largely nominated by the Minister, the procedure consists in scattering 1 600 or 1 700 separate institutions over the country, but placing them under the effective control of an office in Washington compelling each of them to invest a third of their capital in Federal Securities, and selecting from time to time from the most favoured Banks those which shall become depositories of public money and Government financial agents.

We conclude, at present, by inserting the following statement (A) of the progress hitherto in the formation of National Banks:—

(A) UNITED STATES.—"NATIONAL BANKS."—Progress subsequent to First Act of March, 1863, and Amended Act of June, 1864.

Date.	Number of Banks.	Capital paid up	Circulation.
1863—Oct.	63	$ 6 800,000	No return
1864—Jan.	137	14.000 000	"
" —Apr.	309	42,000,000	"
1865—Jan.	643	135.000,0 0	$ 67,000,000
" —July	1,264	325.000,000	131 000.000
1866—Jan.	1.625	403 000,000	213 000.000
" —Oct.	1,659	415.000,000	280,000 000
1867—Jan.	1,649	419 000,000	291,000,000
" —Apr.	1,649	419.000,000	291.000,000

It will be observed that the progress became rapid after Jan , 1865. when pressure began to be really put on the State Banks to conform to the new system Prior to April, 1865, it is probable that most of the six or seven hundred National Banks opened were entirely new institutions. We find for example. that out of 152 Banks established up to Feb , 1864, not less than 46 were opened in small places, in which, up to that time, no bank existed It was, undoubtedly, a principal feature in Mr Chase's scheme to promote the creation of new National Banks in the more remote and primitive parts of the country.

Lord Granville having written a letter in which it was asserted that greater improvements were made in the manufacture of iron on the continent than in this country, "Y" has sent a rejoinder to the *Times* pointing out that if such a conclusion is arrived at from what is seen in the Paris Exhibition, it is altogether erroneous. Iron manufacturers, he says, do not care to produce their wares at such places for the very obvious reason that "the thing does not pay" But, at the same time he contends, that nearly all the great improvements in the smelting and manufacture of iron have been made in Great Britain After enumerating several of these, "Y" says that the invention of Mr. Bessemer has already revolutionized the trade throughout the world, and is of far greater value to mankind than all the improvements put together of which France, Belgium, Germany and Austria can boast It is true that in particular and subordinate departments of this industry we are excelled, but it is only in branches where there is no extensive demand. In short, "Y" has no hesitation in expressing his conviction that we have no reason to be disheartened as to our position with the iron trade.—*Bristol Times*.

CO-OPERATION IN CHICAGO.

THE Chicago *Tribune* gives an account of the establishment of practical co-operation in that city The particulars are very interesting.

"The Northwestern Manufacturing Company of Chicago have taken the initial step in practical co-operation with their workmen The company and a committee of the several foremen of the shops have agreed upon a valuation of the buildings, machinery, goodwill and other property representing the capital invested in the business. The wages and salaries of all the employees of the company are to be fixed according to the scale of average prices paid in Chicago for ten hours' work The wages of each workman is to be fixed by his foreman, according to merit, with the right of appeal to the officers of the company, whose decision is final. On the 31st of March next, the accounts of the company are to be settled up, and a balance struck From the net receipts the stockholders are to receive ten per cent interest upon the capital. The profits are then to be divided into two equal parts, one-half going to the stockholders, and the other half to the workmen. The share falling to the workmen is to be apportioned *pro rata*, according to their earnings, as represented by their wages.

DETAILS OF THE PLAN.

"We understand that the dividends of this company last year were about $50 000; but we will assume, for the purposes of illustration, that the profits of the concern, after deducting interest on capital invested, and all expenses, are $25,000, and that the capital stock is $250,000 The share of the profits falling to the one hundred and forty workmen will be $12.500 This dividend, it should be borne in mind, is in addition to their regular wages, which they receive weekly. The men will therefore receive a bonus of twelve thousand five hundred dollars, which they would not have otherwise received, and which it is not possible for them to obtain under any other circumstances—a bonus which they may largely increase by industry and fidelity to the common enterprise. If anybody chooses to leave he can do so by selling back to the company any stock which he may have acquired, at the price which he may have paid for it.

"Demagogues will, perhaps, tell the workmen that the proprietors propose first to take ten per cent interest, (which they denominate robbery,) and then one-half the profits, (which they also call robbery): and will endeavour to excite an opposition to the scheme on these grounds But workmen who will look at the matter intelligently will see how directly they are benefitted and protected by the plan At the close of the first year the workmen have the privilege of investing their portion of the profits in the capital stock, and to that extent of becoming proprietors At the end of the second year, supposing the business to have been the same, they will receive their $12,500 profit, together with $1 250 interest on the profit of the previous year and probably $1,000 from the profit on the same At the end of the third year they will have a proprietary interest of nearly $30,000, with $3,000 interest thereon and $1.600 additional from the profit falling to the capital, beside their own annual share of profit as workmen, which, it may be presumed, will be constantly increasing.

"Thus, at the end of three years, the workmen will hold in round numbers.

Capital stock	$30 000
Interest 10 per cent	3,000
Dividend from profit on capital	1,600
Workmen's half of profit	12,600
Total	$47,000

"Let it be remembered that every penny of the sum thus accumulated is in addition to their wages, which will be the same as similar workmen receive in similar trades.

"The Northwestern Manufacturing Company employ one hundred and forty men when their shops are full. Since the first of May they have had only one-half their usual force—the remainder having joined the eight-hour strikers, or having been intimidated by them The articles of co-operation were signed on Saturday night by thirty-two of the workmen Whether the others will conclude to sign also we do not know, but we do know that by a little advertising the company can fill their shops with the picked men of the United States Such an opportunity does not present itself every day Thousands of men will jump at the chance to fill the places.

"The proposed system has another advantage of peculiar interest to good workmen. They will not be reduced by the arbitrary rules of trades union to a common level of wages, regardless of ability and skill. When a man's labour is worth five dollars per day to the common stock, he will be paid that sum, and his share of the profits will be proportionately greater than the man whose labour is worth but three dollars per day This shop will have attractions for skilled labour, and for industry that cannot be offered by any establishment conducted under the 'closing' system of trades unions

"The accumulations of one hundred and forty men in this co-operative shop, with ordinary business profits, will, at the end of five years, exceed the savings of all the Trades' Unions and Assemblies in Chicago, and at the end of ten years the one hundred and forty men of the Northwestern Company will have an accumulated capital equal to the establishment of another company as successful as their own.

"We have only referred to the leading principles upon which the co-operative scheme of the Northwestern Company is projected but the details will be found just and fair in all particulars The interference and control of trades unions in the affairs of co-operative establishments being as inconsistent as they would be with the peace of a private family, are necessarily repudiated in the proposed arrangement. This cannot be otherwise, because each workman is himself an employer of his fellow workmen, and has an interest in the largest possible profit both to the capital and to the labour employed. We commend the example of the Northwestern Company to other establishments in Chicago and elsewhere, as presenting a practical solution of all the difficulties of the labour question.

"We must not omit to mention that the fundamental idea of the movement under discussion is an increase of production Hence society has a direct interest in its success, for whatever tends to create additional wealth tends to multiply comforts to mankind. Viewed in this light no man can be indifferent to it."

WHEAT AND IRON.

HERE is a little sum to which we ask the attention of farmers and others.

Let A stand for a Yankee, B for John Bull, and U. S for the United States government

Then A. can produce a ton of wheat by twenty days' labour; but he can produce a ton of iron only by twenty-five days' labour.

But B can produce a ton of iron by twenty days' labour; but a ton of wheat only by twenty-five days' labour.

Now A needs iron and B. needs wheat. Under absolute free trade they exchange their products, and forty days' labour gives both what they need.

But the United States government needs revenue, and takes a clumsy way to get it. Instead of laying a direct tax, which would be the cheapest and easiest way of getting revenue, the United States lays a revenue duty on imports. Let us state this duty at four dollars per ton on iron.

Four dollars being less than five days' labour A sends his wheat as before and takes the iron in exchange, and then works four days longer to earn the four dollars which the United States requires him to pay into the revenue.

Result: forty-four days labour now gives A. and B. what they want, and gives the United States $4.

But, now come the protectionists and demand a duty of six dollars per ton on iron. Six dollars being more than five days' labour. A., who is no fool in some things though a very careless dog, abandons farming and goes to making iron. In twenty-five days he makes a ton of iron.

B having no market for his iron, and wanting wheat, spends twenty-five days in producing a ton of wheat.

U. S wants six dollars, but getting no duty on iron, A. is obliged to work six days to get the six dollars, which have to be raised in one way it not by another

Result Fifty-six days are now required, instead of forty, or at most forty-four, to give A. and B. what they need, and U. S. Six dollars That is to say, U. S. gets two dollars extra revenue, at an expense of six days extra labour to A , the Yankee, and causes B. to expend five days more labour to get his wheat.

The first cost of two dollars extra revenue from the protective tariff is therefore eleven days labour, at one dollar per day, or $11.

But this is only the beginning. A. devotes a large part of his labour to making iron. That makes a short crop of wheat, and makes bread dear.

A. cannot make iron as cheaply as B ; he has, however, the monopoly of the home market, and thus makes iron still dearer.

Bread and iron are the greatest necessaries of life; as they go up, so does the price of labour; for the workmen must live.

Secondary results High prices, which cause high wages, but without any increase in the comfort of living.

But high wages react on production, and cause a still further increase in the cost of living, great discomfort to the mass of the people, strikes in all the trades, and general discouragement of industry. This is the third stage

High prices and the greatly increased cost of all tools, such as ploughs and hoes, shovels, mowers reapers, as well as mechanics tools, shut us out of the markets of the world. We can no longer produce anything cheaply, even grain. A cannot, of course, sell iron in the same market with B. But he cannot even sell wheat abroad any more, for with the high prices he has to pay for farm implements, &c , it costs him too much to raise it. But even this is not all A. cannot even sell wheat profitably at home, and sees the home market supplied with wheat brought from Europe and the Pacific coast, and sold more cheaply than his home grown wheat, in spite of the enormous cost of freight. Thus, in this fourth stage, A finds that "protection" has totally disabled him, and he now falls into the fifth stage general poverty, inability to sell or to buy at advantage: and in the "near distance" a crash—the inevitable result of this absurd attempt of A —a shrewd Yankee—to hold himself out at armslength by the collar of his shirt —*N. Y. Evening Post*.

CO-OPERATIVE TAILORING.—Thomas Hughes writes to the *Pall Mall Gazette* —"I have read at least in four or five places lately expressions of astonishment that the journeymen tailors have not endeavored to meet the present crisis by association. Well they have I enclose a prospectus of 'the industrial partnership of clothiers' whose first shop is opened at 3 Beak Street I am at this moment writing to you clothed in garments of their make. They seem to me to be quite as effectual for all purposes as those which I have been in the habit of purchasing at competitive tailors, and better judges of such matters say they are not otherwise than creditable as works of art Whatever may be the end of the strike, the experiment ought to have a fair trial.—*N. Y. Evening Post*.