

commercial paper has sold at five to seven per cent per annum.

The bank return for the week ending 7th March compares as follows with that of the previous week, and with the return of the corresponding week of 1873:—

	7th March	28th Feb.	March 8, '73
Loans .....	\$286,787,200	\$282,555,700	\$280,351,300
Specie .....	28,074,100	26,488,300	17,149,600
Legal tenders .....	61,655,100	61,915,000	39,473,000
Deposits .....	244,199,300	239,864,300	199,508,700
Circulation .....	26,907,800	26,775,100	27,801,200
Proportion of reserve to liabilities .....	33.09 p.c.	33.15 p.c.	24.90 p.c.
Rate of interest on call loans .....	2 @ 5 p.c.	3 @ 5 p.c.	7 @ 7½ p.c.

On the first of the month the Secretary of the Treasury gave notice that he would sell \$3,000,000 each on the first and third Thursdays and \$500,000 each on the second and fourth Thursdays of the month. This announcement took Wall street somewhat by surprise, although it had not been altogether unlooked for by some of the knowing ones. The old treasury programme of selling gold and buying bonds had been discontinued since the panic, and the large falling off in the revenue receipts had been met by the issue of part of the so-called greenback reserve of \$44,000,000. The resumption of the gold sales was therefore taken as an indication that for the present at least there would be no more inflation; and the Secretary was reported as saying that the \$26,000,000 of the reserve already issued, and about which there has been so much discussion in and out of Congress, would be gradually withdrawn from circulation. This exercised a depressing influence on both gold and stocks, from which they did not recover during the whole week, and stimulated also by a vigorous bear movement prices gradually settled down until they reached the lowest point they have touched for some time. A considerable reaction set in on Saturday however, when the bears thought it prudent to cover their shorts, and the market closed strong. Gold opened at 12½; declined with varying fluctuations during the week as low as 11½ and recovered to 11½ to 11¾, closing at these figures. The carrying rates have ranged from flat to four per cent.

Foreign Exchange has been very dull at comparatively steady rates. Having recovered from the depression caused by the large sales (upwards of \$600,000) of Drexel, Morgan & Co., the preceding week, against the Baltimore and Ohio R. R. loan recently floated in England, the sterling rates rose from 4.84, 4.87½ to 4.84, 4.88 for long and short respectively. The advance was somewhat checked however, by the free sales of one of the Canadian Banks at 4.84½, and by the offerings of prime bills in the hands of brokers at 4.84½ which had been bought at the previously low prices.

On Wednesday the rates were reduced ½ cent for both long and short sterling and on Thursday they were again raised to 4.84½, 4.88, closing at these figures, with a very limited business. The large dry goods importers are at present buying little or no exchange, as they require at this season of the year to make heavy payments for duties. The remittances of the metal importers are also much lighter than usual; and the great improvement that took place in teas towards the end of last year enabled many of the importers of that staple to get rid of their stocks and take up their bankers' acceptances for some months forward. The demand for exchange is therefore very limited. But on the other hand the exports are falling off rapidly—prices on the other side showing no profit to the shipper. The dullness of the market is thus extreme, while at the same time the rates, although very sensitive, are well maintained.

The imports and exports at the port of New York for the week and from the beginning of the year compare as follows with the corresponding periods for the last two years:

	Imports.		
	1874	1873	1872
Week ending 6th March .....	\$ 8,643,543	\$ 9,404,893	\$ 7,170,217
Total, since 1st Jan. .....	70,686,652	82,471,621	76,613,525
	Exports.		
	1874	1873	1872
Week ending 3rd March .....	\$ 3,934,686	\$ 5,252,908	\$ 4,383,985
Total, since 1st Jan. .....	47,412,349	44,299,975	41,971,329
Sight rate of stg. exchange .....	4.87½	4.83½	4.89
Price of gold .....	11½	15½	10½
Rate of interest on call loans .....	2 @ 5 p.c.	7 @ ½ p.c.	6 @ 7 p.c.

To-day's advices from London indicate that the \$15,000,000 Second Mortgage Bonds that the Erie Railroad Co. have just placed on the market at 77, will meet with a ready sale. They are already quoted at ¾ per cent. premium.

It is not improbable that a considerable part of this and other loans will have to be drawn against soon from this side, and if so, we may look for more activity in the gold and exchange markets.

#### OUR FACILITIES FOR PRODUCING IRON.

To the Editor of the *Monetary Times*.

SIR,—From the recent discussions on the iron question in your columns, and at the Dominion Board of Trade, it appears that a strong feeling exists in favor of promoting the manufacture of iron in this country. The importance of such an industry is obvious to every one, but there seems to be a doubt in the minds of some that the manufacture can be successfully carried on. I will endeavor, with your kind permission, to show that we possess natural facilities in this line well worthy of encouragement.

The manufacture of charcoal pig iron has existed in Lower Canada for upwards of one hundred years, producing metal equal to the best Swedish. Formerly, when durability was preferred to ornament, the stoves of the St. Maurice Forge, near Three Rivers, obtained a great reputation. Of late years, another use has been found for the iron, in the manufacture of railway car wheels, for which its great strength makes it suitable. At present there are four furnaces running in the vicinity of Three Rivers on the production of car wheel iron. But the yield of native iron falls far short of the requirements for car wheels alone, and large quantities of iron for that purpose are yearly imported from the United States. This is chiefly to be attributed to the special disadvantage under which the trade suffers from the one-sided arrangements of the American and our own tariffs in respect of pig iron. The Americans have free access to our markets whilst shutting us out from theirs. In consequence of this, our trade, small and restricted in scope, contends unequally with a powerful rival possessing the advantage of both markets.

The condition of the iron trade is now more encouraging to the manufacture of iron in Canada than formerly. Not only have prices very much advanced, but an increased demand exists for the better qualities of iron, for the production of which we have special advantages. Charcoal iron, reduced from pure ores, is in great request for the manufacture of steel. Our ores, such as the hematites of Lower Canada, and those of Hull and Marmora, are of a nature suited to the manufacture of steel. In being smelted with charcoal, their value is enhanced for that purpose. The Bessemer process, which has changed the face of the trade, requires iron free from sulphur and phosphorous,

It has been found impossible, so far, to cleanse the common grades of iron of these hurtful qualities, and thus purity in the materials is now sought for. These desirable materials we possess in abundance.

It was objected at the Dominion Board of Trade that iron cannot be profitably manufactured except when coal and ore lie in close proximity. When common irons were the rule, the argument might have been used, but now that quality is of more account, this reason will not hold. Pure ores are largely imported into England from Spain and the island of Elba. Our own ores are taken to Pittsburgh; Lake Superior furnishes two-thirds of the ore used in the United States. It is stated that there are instances in the States where coal and ore are approached each from a distance of 1,200 miles.

The extended use of steel in railways has altered the circumstances of the trade. England, unrivalled in the production of common grades, fails in the supply of better qualities. The Americans, who already have a name for superior iron, seem likely to be the steel producers of the future. Let us improve our advantages, so as to share in the trade.

Montreal, 9th March, 1874.

IRON

#### CANADIAN SHIPPING.

The following is part of the interesting paper read by Mr. Marshall, of St. John, N. B., on Canadian shipping, and Mr. Plimsoll's Bill at the annual meeting of the Dominion Board of Trade:

A great effort had been made to get the approval of the British Parliament to the famous Plimsoll bill. Its immediate result would be to render valueless the character assigned to our ships by the Bureau Veritas, to expose them to a hostile influence of the British shipbuilder, and subject them to annoying, and probably unfair restrictions, with regard to loading. This bill when first spoken of, created a feeling of alarm and uneasiness among shipbuilders, owners, and others throughout the Maritime Provinces. At that time, I wrote a brief paper on the subject, under date 30th April, 1873, a copy of which I sent to Mr. Plimsoll. Mr. Marshall here read this paper, in which were suggested certain alterations in regard to Classification and Load Line which would yet save Canadian shipping from the great and needless injury that is sure to follow if the bill, in its present shape, becomes law. The shipping of New Brunswick amounts to 1,209 vessels of 278,000 tons, mainly composed of vessels of large tonnage engaged in long voyages. The shipping of Nova Scotia consists of about 4,000 vessels measuring over 440,000 tons; and the combined tonnage of these two Provinces, alone is worth upwards of thirty millions of dollars. The tonnage in course of construction during the present year in New Brunswick will exceed 40,000 tons, and in Nova Scotia will probably reach 60,000 tons. Of late years the bulk of Canadian vessels have been built under the survey of the Bureau Veritas, and about eight-tenths of the vessels owned in New Brunswick and Nova Scotia are now rated in that classification. The vessels classed as above have been placed with British, Canadian and other Marine Underwriters, on as favorable terms as if rated in Lloyds' Register. "The vessels are built under contract with special regard to strength and durability. A great change has taken place in the rules of classification within the past few years, which has enabled and justified the builders to construct vessels of the highest grade for owners in Canada or elsewhere. Fully three-fourths of all Canadian tonnage is built for A 1 rating in the first degree of English Lloyds or French Veritas, and is in every respect fit to carry dry and perishable cargoes to and from all parts of the world. In view of the fore-