

In consequence of the new fiscal policy adopted by the Government of Canada, and of their ardent desire to see new trade relations established between the two countries, a series of operations, promising important results, have been undertaken in 1880.

1st. La Banque de Paris et des Pays Bas, has negotiated at the Paris Bourse a loan of twenty millions of francs on account of the Provincial Parliament of Quebec, which proved the state of its credit by realizing the loan at 5 per cent. to 98 net.

2nd. A Franco-Canadian Credit Foncier has been established by the same institution and M. Cahen d'Anvers, with a capital of twenty-five million francs, and there is already question of doubling that capital.

3rd. In addition to a high protective tariff, the Government of Quebec have allotted a grant of 35,000f. per annum, for ten years, in favor of a beet-sugar factory, and French manufacturers are at present engaged in establishing six of these factories.

4th. The grant to the house of Dior Brothers, of Granville, of rich phosphate-apatite beds, lying in the Province of Quebec, will secure an exportation of no less than 20,000 tons a year of a fertilizer, which must prove of great utility to French agriculture. The Government of Quebec have, in addition, granted a subsidy to the above firm, to secure works for the production of chemical composts, and they have bound themselves, in the name of their Agricultural societies, to purchase at a rate determined on beforehand, a certain quantity of the products manufactured by the same.

5th. Finally, the Federal Government of Canada have bound themselves to grant a subsidy of 250,000 francs to the promoter of the steamship line which forms the subject of this memorandum, on the understanding that the French Government, on their side, grant an annual subsidy of 500,000 francs, and they have taken the initiative in this regard, through the Consul-General of France.

The immense riches of Canada—natural, mining, lumber and agricultural—and the wants of its population, which is constantly on the increase, bid fair to create a considerable traffic on this line.

The Provinces are seven in number—Prince Edward Island, Nova Scotia, New Brunswick, Quebec, Ontario, Manitoba and British Columbia—each having a separate Government and forming the Dominion of Canada. Up to the present Newfoundland remains out of the Confederation, but there is reason to believe that it will eventually be incorporated, when all England's possessions of British North America will be united into

one. The Federal Government is composed of a Governor-General, representing the Queen of England, of a Senate appointed for life, of a House of Commons and a responsible Ministry. The Parliamentary debates are carried on in the two languages, and all the laws and public acts are published in the two official tongues. The Customs tariff of Canada applies to England equally with all other nations. An Act passed in 1872 authorizes the use of the French metric system, but up to the present the English standards are employed. The monetary system is an exact counterpart of that of the United States. The unit is the dollar, which is worth 5 francs (less the exchange, which is 25 centimes in favor of the dollar,) and it is subdivided into 100 cents.

The Canadian Confederation extends from the Atlantic to the Pacific, to the north of and parallel to the United States, and its territory is larger than that of the American Republic, while it is as vast as the whole of Europe. The soil is for the most part well wooded from the Atlantic to Lake Superior, and from Lake Superior to the Pacific, with the exception of the Rocky Mountain region, it is composed of sparsely wooded plains. The country is well watered and the climate is extremely healthy. Although the winters are severe, their rigor has been very much exaggerated. As a whole Canada is extremely fertile, and it only lacks inhabitants to make it as prosperous as the United States.

The port of Montreal, being nearer Europe by 250 miles, and nearer Chicago, the central entrepot of the West, by 140 miles, is better situated for the shipping of wheat and other Western products than the port of New York.

Navigation between Chicago and Montreal, through the great lakes and the St. Lawrence canals, is shorter by seven or eight days than that between Chicago and New York by the Erie Canal. Furthermore, the St. Lawrence canals are wider and admit of vessels of double the tonnage. New works, now being executed, will still further increase these facilities, allowing steamers of 1,500 tons to load in Chicago, while the tonnage of vessels on the Erie Canal cannot exceed a maximum of 240 tons. The Canadian canal system will then rival the great works of the Suez Canal and the future Panama Canal in the grandeur of its conception and the importance of the sums expended upon it.

The river St. Lawrence is an admirable highway. Its width between Montreal and Quebec, a distance of 180 miles, is from 2 to 3 kilometres, and its depth is such that the