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CANADA A FIELD FOR CAPITAL AND MANUFACTURING ENTERPRIZE.

In order to form a correct idea of the amazing amount of capital in England seeking investment, it is only necessary to glance at some of the leading commercial transactions of the past year.

The Extension of Banking alone during the last few months of 1862, covers a sum exceeding twenty-one millions sterling. Joint Stock Banks have found extraordinary favour with the British public. The abundance of money, the large amounts of idle capital, have induced large speculations in these institutions. The New Banks of 1862 include eight which may be termed home institutions, with a capital of £12,000,000. No less than five Colonial Banks, with a capital of £3,750,000; two Indian with £2,000,000 capital, and four Foreign with £4,000,000 at their disposal, making the aggregate upwards of £21,000,000 sterling, subscribed for banking purposes in a few months. But if new banks show an abundance of capital seeking investment, surely foreign loans are equally conclusive of the existence of this plethora. The transactions in foreign loans in 1862 reached the enormous figure of £23,746,240, and were distributed as follows:

Egypt	£2,908,040
Italy	1,782,000
Morocco	501,200
Peru	5,500,000
Portugal	1,700,000
Russia	4,670,000
Switzerland	285,000
Turkey	5,400,000
Venezuala	1,000,000

Total £23,746,240

All of these loans were, it will be seen, made to foreign countries. But this is not all; the joint stock enterprises of greater and lesser character and importance involved an additional investment of capital, which may reach twelve or fifteen millions sterling. Among these the following are the most important:

Home Mining Companies.....	£770,000
Colonial " "	710,000
Foreign " "	356,000
Home Land Companies	625,000
Colonial " "	1,650,000
Foreign " "	4,300,000
Sundry Joint Stock Companies	3,450,000

Total £11,861,000

Here we have an aggregate sum of not less than fifty-five millions sterling, seeking investment during the last year in Banks, Loans, Money, Land, and other speculations.*

Of the loans, no doubt a considerable amount will be ultimately lost, and perhaps many of the mining, land, and other companies, may come to nothing; but the capital was subscribed, and it would no doubt be obtained if necessary. Why may we not look for the employment of some of this superabundant wealth in Canada? Have we not better securities to offer than those which are eagerly accepted from foreigners, or from doubtful enterprises?

No one doubts that there is a large field open in Canada for enterprise in woollen manufactures. In 1861, we imported woollens to the value of upwards of four million dollars. All kinds of woollen fabrics will be in demand owing to the price of cotton. In 1861, English wool was 66 per cent. dearer than middling Orleans cotton, now it is 11 per cent. cheaper; ordinary yellow East Indian wool was 33 per cent. cheaper; at the present time it is nearly 60 per cent. cheaper. It is estimated that not less than 25,000,000 lbs. more of wool were worked up in 1862 than in 1861.† British North America imported last year 65,000 pieces of cloth more than in 1861. But Canada, of worsted stuffs, took 94,000 pieces less in 1862 than in 1861. Considerable increase has taken place in the woollen manufactures of Canada during the past year or two, but far from being adequate to supply the country even with the coarse kinds of cloth so largely imported.

The annual review of the commerce of Toronto tells us that "American carpets have advanced to a rate which altogether shuts them out of this market. The tax on manufacturing, the high price for exchange, and the depreciation in currency, and the necessity for payment of duties in gold on all the imported materials, has run rates up to some seventy per cent. beyond the usual figures. In this, as in nearly all other branches of trade, has our commerce with the United States ceased."

Canada ought to be fearless of competition in numerous articles of clothing suitable to the climate; for we can not only make woollen cloth of ordinary grades as good as imported, but, in consequence of the general introduction of the sewing machine, can make them up at as low a price as is desirable. In other woollen goods, such as flannels, blankets and hosiery, all we want is capital, skill and machinery. The raw material

* See the Exchange, for an article on British Trade and Finance in 1862.

† *Ibid.*—Commerce and Manufactures of Great Britain in 1862.