

old system; and Ontario is anxious, and is doing her best to inaugurate a new system. We have every hope that she will ultimately succeed. Nature favors her. She has the most fertile lands in the Confederation; she has also the most valuable mineral and timber lands. Let her, as she is bent on doing, make the most of her resources, and success must crown her efforts. Her mineral lands are a source of incalculable wealth; and the sooner a portion of this wealth is extracted the better for Ontario and the Confederation at large. There need be no danger of exhausting the stock; for if a fifth of all that is reported regarding the Superior region be true, its riches are inexhaustible, and they have not yet been touched.

MEETING OF THE MERCHANTS' BANK.

A Special Meeting of the Shareholders of the Merchants' Bank, to ratify the agreement of amalgamation with the Commercial Bank of Canada was held in the Banking House of the former on Monday, the 24th February, at noon.

The Stock was very largely represented, there being seventy-five Shareholders present, owning and controlling 12,176 shares in the Bank.

The President, Mr. Allan, entered into a short statement of the reasons and circumstances which induced the Directors of the Merchants' Bank to negotiate for the transfer to it of the Commercial Bank, and he explained the present position approximately of the affairs of the latter.

He then read the proposed indenture of agreement, which was as follows:—

"This Indenture, made this day of in the year of our Lord, One Thousand, Eight Hundred and Sixty-eight, between the Commercial Bank of Canada, a Corporation of the first part, and the Merchants' Bank, a Corporation of the second part.

"Whereas the party of the first part, by virtue of an Act of the Parliament of the Dominion of Canada, entitled 'An Act to amend the Act of Incorporation of the Commercial Bank of Canada, to authorize the amalgamation with any other Bank or Banks, or for its winding up,' was passed in the thirty-first year of Her Majesty's reign, is authorized and empowered to enter into an agreement with any other Banking Institution or Institutions for an amalgamation or union.

"And whereas the party of the first part, and the party of the second part, have mutually agreed to enter into such agreement, and to amalgamate and unite together upon the terms, and subject to the provisions hereinafter mentioned and set forth.

"And whereas such agreement, and the several terms thereof, at a meeting of the shareholders of the party of the first part, duly convened and held on the seventh day of January, in the year of our Lord, one thousand eight hundred and sixty-eight, have been duly confirmed and approved of.

"And whereas, such agreement, and the several terms thereof, at a meeting of the shareholders of the party of the second part, duly convened and held on the twenty-fourth day of February, have also been duly confirmed and approved of.

"Now, therefore, these presents witness, and it is hereby declared, covenanted and agreed upon by and between the said respective parties to these presents as follows:—

1. That the said respective parties shall upon, from and after the first day of March, in the year of our Lord one thousand eight hundred and sixty-eight, thenceforth be, continue and constitute one united and amalgamated Corporation under the name, title and style of the 'Merchants' Bank of Canada.'

2. That the then capital stock of the last mentioned Corporation shall be the sum of Three Million Three Hundred and Twenty Thousand Dollars, and each share shall be taken to be equal to and represent one hundred dollars in the capital stock thereof; and in such capital stock three shares in the capital stock of the Commercial Bank of Canada shall be taken to represent and to be equivalent to one fully paid up share in the capital stock of the Merchants' Bank, and the shares of the said two Banks respectively shall be exchanged for shares in the capital stock of the Merchants' Bank of Canada in the said above mentioned proportions, and in case any fractions of shares in the Commercial Bank of Canada that may be insufficient to contribute one share in the capital stock of the Merchants' Bank of Canada, the Directors thereof may make such arrangements in respect thereof as they may deem proper; and dividends to be payable on the capital stock of the said amalgamated Bank shall be construed to begin and to be payable from the first day of January, in the year of our Lord one thousand eight hundred and sixty-eight.

3. That the Directors of the said amalgamated Bank shall be seven in number, and from and after the first day of March, in the year of our Lord, one thousand eight hundred and sixty-eight, and until the annual general meeting of the said Bank, the following persons now Directors of the Merchants' Bank, Hugh Allan, Edwin Atwater, Andrew Allan, Hugh Fraser, William F. Kay, Damaso Messon and Adolpho Roy shall be such Directors.

4. That the Head or Principal Office of the Merchants' Bank of Canada shall be situate at the city of Montreal, and that the said office may be removed under the provisions of the said recited Act.

5. That the Annual General Meeting of the Shareholders of the Merchants' Bank of Canada shall be held at the Head or Principal Office of the said Bank for the time being, on the first Monday in the month of July in each year.

6. That the Directors of the Merchants' Bank of Canada may choose and appoint one of their number to be the President, and one other of their number to be Vice-President of the said Bank.

7. That upon and after the first Monday of July, which will be in the year of our Lord, one thousand eight hundred and sixty-nine, the provisions of the act incorporating the Merchants' Bank, as amended by the amendments thereto; and the By-Laws made and to be made thereunder, shall regulate all matters and proceedings concerning the retirement, eligibility, and choice of Directors of the Merchants' Bank of Canada. But at the first annual general meeting of the shareholders of the said Bank, and of all the Directors hereby appointed shall retire, being, however, eligible for re-election.

8. That the Directors of the Merchants' Bank of Canada may, from time to time, establish branch banks, agencies, or offices for the transaction of banking business, or for the better and more profitable conduct of the business of the said Bank at such place or places as the Directors may think proper.

In witness whereof the respective parties of the first and second parts have executed these presents to the Commercial Bank of Canada on the day of in the year of our Lord, one thousand eight hundred and sixty-eight, and the Merchants' Bank on the day of in the year of our Lord, one thousand eight hundred and sixty-eight.

Executed and delivered in duplicate by the Commercial Bank of Canada in presence of

and by the Merchants' Bank in the presence of

After which he proposed the following resolution, which was carried unanimously.

"That the agreement of amalgamation between the Commercial Bank of Canada and the Merchants' Bank set forth in the indenture of union now before the meeting be, and the same is hereby confirmed and approved for execution by the officers of the Bank, and that the same indenture be entered at length in the minutes of the meeting."

THE BREADSTUFFS TRADE.

AN impartial survey of the condition of the grain trade warrants the conclusion that the yield of the last harvest has not been over-estimated. It was generally conceded that our crops were unusually abundant; but the question arose whether, in view of the moderate average result of the European harvests and the depleted condition of stocks both at home and abroad, the new supply would be more than adequate to bring up the stocks to the average standard and to supply the current consumption. A negative view of this question was very generally taken, and has prevailed until quite recently; and hence the high prices at which breadstuffs have been held since the harvest. Now, however, the grain movement is assuming an aspect calculated to modify this conclusion. The stocks of wheat and flour at the grain centres are fully up to those of the same period of the last two years, and yet there is a large amount still in the hands of the farmers. At Chicago, our chief grain entrepot, the present stocks are very largely in excess of those at the same time in 1867, as will appear from the following comparison:

FLOUR AND GRAIN IN STORE AT CHICAGO.

	Feb. 1, 1868.	Feb. 2, 1867.
Flour, bbls.....	82,703	93,423
Wheat, bush.....	823,975	677,731
Corn, bush.....	1,933,071	635,183
Oats, bush.....	677,709	678,738
Barley, bush.....	106,941	322,256
Rye, bush.....	36,534	130,203
Total grain.....	3,565,030	2,431,941
Increase.....	1,133,089	

There is thus an increase in the stock of wheat of 246,244 bushels; in corn, of 1,302,283 bushels; and in oats, of 174,971 bushels, while in flour, barley and rye there is an immaterial decrease. The entire stock of grain at Chicago is 62 per cent above that of February 1867. At the beginning of this month there was 925,148 bushels of wheat in store at Milwaukee, which is largely in excess of the stock at the same date last year. It is estimated that the stocks of wheat at the various points between New York and Milwaukee inclusive aggregate 5,200,000 bushels, against 5,500,000 at the same period last year; an increase of nearly 50 per cent. At New York the stocks are exceptionally light, as compared with last year; which circumstance has considerable influence in sustaining prices against a condition of supply which would seem to call for lower values. The following shows the comparative stocks at this port:

GRAIN IN STORE AT NEW YORK

	Feb. 3, 1868	Jan. 31, 1867
Wheat, bush.....	1,260,30	2,200,00
Corn, bush.....	1,443,003	3,900,000
Oats, bush.....	2,167,062	2,700,000
Rye, bush.....	600,313	600,000
Barley, bush.....	110,953	1,500,000
Total.....	5,472,433	11,500,000
Decrease.....	6,027,567	

Notwithstanding this large decrease at this port, which as will be seen in the above statement is chiefly in corn and barley, the stocks at the several points combined, largely exceed those of last year. While in the item of corn there is a decrease here of 2,220,000 bushels, there is at Chicago an increase of 1,302,283 bushels. It should be remembered that the premature closing of the canal kept away a large amount of grain en route for this city; which will go far to

ward accounting for the present lightness of our stocks, and much will come forward on the opening of navigation. The severity of the winter has been against the forwarding of supplies by rail-road, while in the interior the excellent sleighing has enabled the farmers to convey to the markets a liberal amount of grain, making the receipts at the lake ports, since the opening of the year, nearly double the average for the same period of the two last years, the increase in corn being especially large—an indication that the corn crop has been under-estimated. The following statement shows the receipts of flour and grain at the ports of Chicago, Milwaukee, Toledo, Detroit, and Cleveland from Jan 1 to Feb. 8, and for the same period of the last two years:

RECEIPTS AT LAKE PORTS FROM JAN. 1 TO FEB. 8.

	1868.	1867.	1866.
Flour, bbls.....	215,793	416,872	216,275
Wheat, bush.....	1,311,633	1,197,683	1,334,167
Corn, bush.....	3,112,579	1,112,877	280,014
Oats, bush.....	612,641	612,973	631,968
Barley, bush.....	206,145	184,916	76,122
Rye, bush.....	73,591	107,903	95,638
Total grain.....	5,223,076	2,308,271	2,300,622

The general tenor of advices from the West justifies the expectation that this liberal rate of receipts will be continued. It is admitted that the farmers have still a large balance of their crop on hand. The high prices they have received for their products have enabled them to hold back an unusually large portion of the crop, this reserve being variously estimated at from 30 per cent. to 40 per cent., or even as high as 60 per cent. of the whole yield. Any indication of a weakening of prices would be quite likely to bring this supply rapidly into the market. Nor are we to lose sight of the California supply, which now has quite an important bearing upon our market. Last year, that State exported 4,000,000 sacks of wheat, and 510,000 bbls. of flour, Great Britain taking about 80 per cent. of the whole. The latest advices represent that the surplus exportable from this source is likely to be more than was expected, and that, with a fair season, the next crop will be a large one. Moreover, it is reasonable to anticipate that the high prices realised during the two last years for cereals will induce in all parts of the world an extensive preparation for the next harvest, that being the almost invariable result of high prices.

The present condition of the British markets is not favorable to the expectation of a very large demand from that source. The millers are represented as buying little, and the wheat trade as being very inactive. The stocks of wheat and flour at the ports are in excess of those of last year, and equal to those of the preceding year, while the amount afloat for Great Britain is said to be about two million quarters. The following shows the stocks of flour, wheat and corn at the principal grain ports of the United Kingdom at the close of the last three years:

Stocks of Flour, Wheat and Corn in the United Kingdom.

	1867.	1866.	1865.
London, qrs.....	229,000	229,000	241,000
Liverpool, qrs.....	129,000	129,000	129,000
Glasgow, qrs.....	130,000	137,000	254,000
Hull, qrs.....	62,000	60,000	19,000
Glasgow, qrs.....	63,000	49,000	30,000
Dublin, qrs.....	104,000	60,000	67,000
Total wheat.....	813,000	645,000	850,000

	1867.	1866.	1865.
Sacks Bbls.....			
London.....	85,000	158,000	183,000
Liverpool.....	100,000	100,000	117,000
Glasgow.....	27,000	32,000	23,000
Total Sacks & Bbls.....	312,000	290,000	323,000

	1867.	1866.	1865.
London, qrs.....	603	19,000	19,000
Liverpool, qrs.....	42,000	14,000	62,000
Glasgow, qrs.....	700	39,000	19,000
Dublin.....	4,000	7,000	15,000
Total.....	46,000	79,000	101,000

Putting together all these considerations, it would appear that there is a strong combination of causes unfavorable to the maintenance of the present high prices of breadstuffs. These tendencies are strengthened by the depressed condition of industry in many parts of the country, enforcing a rigid economy of consumption, and by the further fact that in Great Britain and some parts of the Continent a similar depression exists. We venture, however, no predictions as to the future course of prices, but simply present these naked facts for the candid consideration of those whom they may concern.—*N. Y. Financial Chronicle.*

THE TAX ON MANUFACTURES.—A letter from George W. Allen, Member of Congress from Ohio, addressed to the Secretary of the National Manufacturers' Union, speaks of the prospect of repealing the taxes on manufactures as follows:—"The pressure brought to bear upon Congress is more than it can withstand. There is a general feeling of retrenchment, and I am mistaken or there will be radical reforms before long. The Committee of Ways and Means have already resolved to report a bill repealing all taxes upon manufactures, except luxuries, and we hope to get the income tax off also, and expenses reduced sufficient to admit of it. To this end we are laboring, with individual members and the different committees, in whose hands are expenditures, appropriations, &c. I think I am safe in saying that our labor will be crowned with success, but it must be watched and pressed to the end."