

with an excess of lime, so that the juice may be immediately evaporated without the necessity of using charcoal.

We are glad to learn of the success, which, in spite of discouraging obstacles, has attended the operations of a beet sugar factory started by a German company in Illinois last year. Mr. R. W. Bender has made a report to the Directors of the Illinois Central R. R. Company regarding it. The company began operations in 1886 by planting four hundred acres of ground in Livingston County, mostly fresh prairie, from which they have raised a crop of more than four thousand tons of fine beets at a cost, according to their own estimate, of less than four dollars per ton. The beets are of the "White Silesian" and "Imperial" varieties, and both have done well. At the time of harvest the roots from all parts of their farm were tested, and the juice was found to contain from nine to thirteen and one half per cent. of sugar—the average of all the tests showing twelve per cent. The quality of the beets tested would yield seven and one-third per cent. of raw sugar, in color equal to fair refining sugar, but intrinsically much superior—or it would yield five and one-half per cent. of sugar equal in every respect to New York refined "B." The beets raised, if successfully and rapidly worked, would have produced not less than four hundred and fifty thousand pounds of refined sugar. In consequence of accidents to machinery and other causes, the work has been delayed for seven months, but it has recently been resumed with great success. Mr. Bender says:—

"The capacity of the manufactory is estimated to be equal to fifty tons of beets per day. During the few days the works have been in operation they have turned out about eighteen thousand pounds of sugar (two-thirds of which was equal to New York refined B), which was the product of an unknown quantity of beet roots, as I found they had not kept any record of the quantity brought from the pits to the factory. The pulp was not watered on the centrifugals so as to save evaporation. The juice was boiled blank, and placed in large tanks to crystallize. This course was mainly taken to economize the use of steam. The first product granulated in twenty-four hours, and the second in three days, so as to go in centrifugal machines. I could see nothing of the third product. I very much regret that the Messrs. Gennert could not give me an accurate account of the cost of cultivating their beets, the estimate, as I have already said, was less than four dollars per ton. It is also to be regretted that no account of the weight of beets taken to the factory was kept; although any calculation made on that basis would be unfair, considering the irregular operations at the factory, and the deterioration of the saccharine properties of the roots from long delay in working. The result of my investigations, added to my previous knowledge of the subject, more than ever confirms my belief in the speedy and successful development of this branch of agricultural industry. And this feeling is already widely entertained through the West, where suitable lands and abundance of fuel can be had at low prices in the immediate vicinity of a ready market."

The opinion appears to be generally prevalent that the climate of Canada is too cold during the manufacturing season to allow of the preservation of beets from freezing, but Russian winters in the latitude of St. Petersburg are not remarkable for their mildness, and yet there are numerous factories in profitable operation. In Illinois, too, to come nearer home, we know from personal experience, that the cold is frequently excessive, though, perhaps, not so continuous as here, and yet the results of the first crude experiments there have not been unsatisfactory. As far as the soil of Canada is concerned, in many parts it is exactly suited for raising beets, and specimens may be seen in various places of the Silesian variety equal, if not superior, to any raised in the world.

### THE IMPENDING REVOLUTION IN EASTERN COMMUNICATIONS.

A CABLE telegram received via Hong Kong, Galle, Suez and London, states that the Pacific Mail Steamship Company's steamer Colorado, the pioneer of the new line between California, Japan and China, arrived at Yokohama, on the 23rd January, in 23 days from San Francisco. She met unusually heavy weather on the passage, but nevertheless succeeded in delivering through mails from New York within fifty days, thus proving that as soon as the Pacific Railroad is completed the best time between England and the East will be across the North American continent. Ten years of our present life, in a country so situated as Canada is at present, may be likened to the progress of an ordinary century, and many years will not therefore elapse ere we will probably be in a position to realize the unpleasant fact that our apathy and indifference in extending our Western communications and opening up the North West have lost us the great

and most profitable trade for which a nation could well contend. It is therefore to be hoped that the Colonial delegates now in England will not return ere endeavouring to come to some understanding with the Hudson Bay Company, and that if they refuse to meet them on reasonable terms, steps will be taken to test the validity of their charter. Francis the First once asked the Pope by what right or title he granted the whole continent of America to the King of Spain, and we may just as well question Charles the Second's right to dispose of a territory, which in the first place belonged to the French, and in the second place was not entered upon for nearly a century, and the title to which consequently lapsed. The company, nevertheless has a prescriptive right, through usage, to the territory and some claim to pecuniary compensation, but they should not be allowed for a moment to set up their outrageous pretensions of sovereign jurisdiction and on the faith of an obsolete charter, probably granted under the wretched influences of one of Lely's bright eyed beauties, bar the onward progress of half a continent in the interests of a handful of Lombard street traders. The Bill for the Confederation of the Provinces has a great many features to commend it, but it will be necessarily incomplete if not supplemented by a measure or proceedings intended to open up the North West and abolish the present monopoly—a monopoly so tenacious of its privileges and fearful of exposing them to public view that it will not assist in opening up the long called for road between Canada and the Red River territory, simply because it would tend to promote communication with Canada and lead to the settlement of the country under their repressing dominion.

### CANADIAN SECURITIES IN ENGLAND.

A STILL further advance has taken place in Canadian Government securities, both in the 5 and 6 per cents, of 2 per cent in the former, and 1 per cent in the latter. Subjoined are the quotations in the London Stock Exchange, February 13th, of the following securities:—

#### GOVERNMENT SECURITIES.

Canada 6 per cent. Jan. and July, 1877	99 to 101
Do 6 per cent. Feb. and Aug.	98 to 100
Do 6 per cent. March and Sept.	100 to 102
Do 5 per cent. Jan. and July.	85 to 87
Do 5 per cent. inscribed stock.	84 to 86
New Brunswick 6 per cent. Jan. and July 95	97
Nova Scotia 6 per cent., 1875	97 to 99

#### RAILWAYS.

Atlantic and St. Lawrence	57 to 59
Buffalo and Lake Huron	44 to 46
Do preference	54 to 56
Buffalo, Brant, and Goderich, 6 p. c.	100 to 102
Grand Trunk of Canada	20 1/2 to 21 1/2
Do equipt. mort. bds., charge 6 p. c.	88 to 90
Do 1st preference bonds	65 to 67
Do do deferred	00 to 00
Do 2nd preference bonds	55 to 57
Do do deferred	00 to 00
Do 3rd preference stock	88 to 90
Do do deferred	00 to 00
Do 4th preference stock	24 1/2 to 25 1/2
Do do deferred	00 to 00
Great Western of Canada	14 to 14 1/2
Do new	14 to 14 1/2
Do 6 without option, 1878	98 to 96
Do 5 1/2 do 1877-78	84 to 86
North. R. R. of Canada 6 p. c. 1st prf. bds.	82 to 85

#### BANKS.

British North America	47 to 49
Mercantile and Exchange	9 to 7 dis.

#### MISCELLANEOUS.

British American Land	20 to 25
Canada Company	69 to 72
Canadian Loan and Investment	2 to 1 dis.
Hudson's Bay	16 1/2 to 16
Trust and Loan Company, U. C.	2 to 2 1/2 dis
Atlantic Telegraph	20 to 25
Do do 8 per cents	53 to 58

### The Cental System.

The Chicago Board of Trade has unanimously resolved that the cental system shall go into effect, so far as it is concerned, on the 1st March. The Milwaukee and Cleveland Boards of Trade have adopted a similar resolution.

The Granby Gazette states in its last issue:—A few days since Messrs. Pierce and Frizzell, two of the Provisional Directors of the Granby Red Slate Quarry, visited this locality and closed the purchase of the Quarry, by paying the former owners, Messrs. Baird and Erskin, the required sum for the property. The amount paid, we believe, was \$2,700, viz., Mr. Baird \$1,700, and Mr. Erskin \$1,000. As soon as the necessary arrangements have been completed practical operations will be forthwith commenced.

### LETTER FROM ENGLAND. COMMERCIAL REVIEW.

(Special Correspondence of the Trade Review.)

[PER JAVA.]

THE Bank of England rate of discount has been at last reduced to 3 per cent., and as the rate in the open market for some time has even been under 3 per cent., the present reduction has practically been without effect. As I pointed out at the time, the rate of discount has fallen much more slowly after the panic of 1886 than after either of the previous panics, because the panic of 1886 was a financial rather than a mercantile one. That it has now fallen so low is generally ascribed to the distrust which exists of all permanent investments, such as railways, and of all foreign loans. Undoubtedly, this has had much to do with it, but there are two other causes which are rendering trade dull, and consequently diminishing the demand for money. The first of these is the uncertainty as to the further supply of cotton, and the comparatively low price at which the manufactured article sells as compared with the price of raw cotton. It would be scarcely too much to say that the whole trade is out of gear. The manufacturers are unable to make a profit, and a resort to half time is spoken of. The holders of cotton, again, do not seem to be able to obtain any reliable data as to supplies, and their speculations are very much of the "hand to mouth" character, and the result of all this is to give a feeling of great uncertainty in all transactions connected with the cotton trade. The other cause which is affecting trade at present is the position of American affairs. Independent of any mere political question, the economic position of a country which has so inflated a paper currency and so absurd a tariff, must be at least unsteady, if not unsafe and dangerous. There is, indeed, a strong feeling that in some way the people of the United States will work out of their dangers, but the mode by which they are to work out is not at all clear; and their recent legislation, so far from indicating any wish to retrace their steps, would show that they considered their present system the very height of wisdom, and were determined to develop it to its fullest extent. On this side of the Atlantic a very different opinion of its wisdom is entertained; and independent of any temporary dullness in the trade with the United States, their whole fiscal and financial system is regarded with apprehension and distrust.

I have referred to the unwillingness of people to go into any new railway schemes as one cause of the cheapness of money, and a recent decision of the Lord Justices of Appeal as to the rights of debenture holders, has for a time at least increased this feeling. The question was raised by some of the debenture holders of the London, Chatham and Dover, as mortgagees of the line, to sell the surplus lands which were valued at a large sum, probably about £1,000,000. It was contended that the right belonged to the debentures just as it belonged to the mortgages of any other to foreclose the mortgage and enter upon possession. The decision of the two Lord Justices, which, though not final, carries great weight with it, is substantially that debenture holders are not mortgagees in this sense, and that their security is not upon the individual parts of the line, but upon the general property, that is, upon the surplus of revenue. It does not seem that this decision will really be, in the long run, an injurious one for the debenture holders. It would seem that a line in its entirety must be worth more than its mere "disjuncta membra." Meantime the present upsetting of an old theory as to the rights of debenture holders, has had a disquieting effect upon the minds of many people. A bill has, however, been brought into the House of Commons this Session to determine the mode of winding up of insolvent railway companies, and although it was unfavourably received by the House, there will, no doubt, be some definite settlement arrived at this session, by which the rights of debenture holders will be protected by enabling the line to be sold, and by which, also, the power now possessed by judgment creditors of seizing the rolling stock, and so stopping the traffic to the great loss of the other creditors and the shareholders, and the great inconvenience of the public, will be taken away.

It must be gratifying to Canadians to see how anxious both of the great political parties in England are to carry out their wishes as to Confederation. As to the general expediency of such a measure no doubt can be entertained, and the question of detail which may arise will, no doubt, be settled very much as the wishes of the Colonial Delegates may point out to be