

OUR AUSTRALIAN LETTER.

The commercial situation is simply monotonous. Even busy New Zealand has to report demand for imports less brisk and money a little harder. These tight little islands have been enjoying a remarkably good time of it for five years, and the war in South Africa being over, and Australia being able to supply its own food, the trade of New Zealand which so much benefited by these calamities, must slacken. It is not likely to be serious, but it will check the expansion that vied with that of Canada, New Zealand almost doubling its trade in eight years.

The resources of New Zealand, even agricultural, are as yet but partially developed, and the country has many years of growth before it, though at a slower rate than for some time back. The Canadian share of her trade is slowly enlarging, but is not a tenth of what it might be, and as yet there appears to be no determined effort to get more. A glance at these figures will indicate the truth above stated:

	Total Imports	Imports from U.S.	Imports from Canada.
Australia .....	£26,770,169	£2,779,590	£212,039
New Zealand .....	12,778,675	1,441,358	68,329

The disproportion of Canadian exports to New Zealand is due to the absence of direct shipping connection. It is true that Germany has no direct connection, but it has the advantage of preferential freights. It has been proven that British ships carry freight from Germany, including a transshipment in England, at rates ten to forty per cent. below rates charged on British goods. It seems to me that the transportation problem is the difficulty which Canada has to solve before it can secure a fair share of this trade.

A striking feature of the trade is the wide variety of the articles imported from Canada and the smallness of the quantity in lines in which there is a large market. Take a few instances of manufactured goods:

	INTO AUSTRALIA.		INTO NEW ZEALAND.	
	Total Imports, From £	Canada.	Total Imports, From £	Canada.
Ale .....	403,595	4	38,610	None.
Cartridges .....	74,842	1,125	6,542	None.
Blacking .....	4,180	....	9,244	None.
Boots and shoes.....	219,065	3,278	235,254	6,866
Rubber shoes .....	24,147	384	10,359	518
Brushware .....	48,735	24	23,605	None.
Canvas .....	140,765	....	44,939	42
Canned fish .....	272,572	11,490	48,636	5,013
Furs .....	8,413	....	5,756	10
Rubber goods .....	197,297	832	12,680	60
Organs .....	12,077	818	7,277	206
Pianos .....	156,980	231	85,507	None.
Leather .....	202,054	12	84,341	153
Electrical appliances ...	167,786	....	111,038	None.

These figures are not absolutely reliable, because some goods from Canada are credited to the United States, but it may be taken as approximate. In some lines the trade is growing, as in boots and shoes, but in most articles the trade is just doddering along in a petty fashion. In some instances the small progress is due to poor representation, in others to inability to supply the goods or else bad business methods. The cause of non-growth may be known in Canada but not here. As to articles like pianos, Canada cannot make them cheap enough to compete with Germany. In the case of fish, Canada would appear to be doing a fair share of the business, but when it is considered that England supplies four times the value, it may be taken for granted that Canada is not putting up the fish in quality and variety, such as this market will take.

The most striking figures are those relating to wheat and flour and oats. In 1903 Australia imported wheat to the value of £1,909,483, flour, £647,485, and oats, £229,395. Canada had the hard wheat, the strong flour and the milling oats that this market required, yet her share of the trade was only: Wheat, £11,541; flour, £108,558, and oats, £10,006. The Monetary Times gave fair notice that the demand was likely to come, but when it did come, it found no one and nothing ready to undertake it, and much of what was done was unsatisfactorily done, mainly through defects in transportation. There is much room for improvement before Canada takes proper position abroad.

The Commonwealth High Court has passed judgment upon two cases of general interest. One was to declare that all Federal salaries are exempt from State taxation. The case goes to the Privy Council. The other is that the drawer of a cheque, if he by carelessness gives facilities for altering, is liable for the raised amount. Thus, if a cheque for eight pounds has space before the eight to write twenty, then the bank paying the larger amount can collect it from the maker. The Chief Justice, however, stated that the circumstances of the drawer must always be considered, what would be carelessness in a business man accustomed to drawing cheques would not be carelessness in a farmer not so accustomed. This is a broad doctrine. It is easy enough to guard against a cheque being raised from eight to twenty-eight, but it requires only a small space in both letter and figure to raise eight to eighty. This judgment is based on old precedents, but it is doubtful if many drawers of cheques are aware of the principle.

One of the difficulties in governing this country, where Socialism has such a grip, is that the simplest teachings of political economy are ignored. The Newcastle coal miners, north of Sydney, are in a bad way because the coal of that port cannot meet the competition abroad. The miners agreed to base their wages on the selling price of coal, but have managed to evade the agreement so far. Some mines had to shut down and others to put in machinery. The workmen in mass meeting resolved to urge the Government to fix the selling price of coal by statute to prevent lowering it; and this in face of the fact that three-fourths of the output is sold outside the State. Worse still is that three members of Parliament, one of them an ex-member of a Government, were present to support the foolish proposition!

Sydney, New South Wales,  
1st November 1904.

F. W.



OUR ST. JOHN LETTER.

There seems to be "a move on" in the pulp business in this vicinity. A representative of a large English pulp and paper company is here to-day negotiating with the city for a lease or purchase of the Mispec mill, recently bought by the city in connection with its new water system. It is announced that the American syndicate which recently purchased the pulp mill at Chatham in this province, is preparing to erect a large paper mill in connection with the works. A new pulp mill is also to be erected immediately on the St. Croix river, near St. Stephen, and it will prove a great boon to people living on both sides of the boundary line between New Brunswick and Maine.

Announcement is made to-day that the Eastern Steamship Company, running the steamers between St. John and Boston and other points, will build two big turbine boats, one to be put on the St. John route and the other to run between Boston and Bangor, Maine. The boats are to have a 25-knot speed, and are expected to be the finest in the passenger trade along the coast.

Messrs. Hamm Brothers, bakers and biscuit manufacturers of St. John, have dissolved partnership, and Mr. Philip N. Hamm will move to Moncton, where he intends to open a business.

The A. Booth Company, of Chicago, will establish a branch of their business at Loggieville, and will compete with the local dealers in buying and shipping smelts to the American markets.

The Miramichi shipping season has closed and statements show that the lumber shipments from that section of the province aggregated about 94,000,000 feet or about six million feet less than for the previous year. The Miramichi lumbermen will follow the example of lumbermen in other sections of the province, and materially reduce their cut of logs during the coming winter in the hope of thus strengthening the English market. A prominent English buyer now here says that such a course will not produce any effect on the market before August.

Messrs. T. McAvity & Sons, brass founders, of this city, have a number of men employed making brass posts, to be used in marking the boundary between Canada and Alaska.

The City of St. John has purchased, and on December 1st will take over, the business of the Carleton Electric Light Company, which runs the street lamps and does private lighting on the western side of the harbor. [Carleton is a suburb of St.