The existing stock was quoted at 105 to 107 when the present issue was announced.

March 22.—Sir Edward Grey's attention has been called to the fact only now disclosed that by direct instructions of President Taft the United States Government made proposals to the Canadian Government which involved the entire abolition of the British Preference in Canada, and also the withdrawal of Canada from the Imperial Treaty system. Moreover, Mr. Taft's recent utterances and especially his utterance in Atlanta on March 10th are taken to mean that the present reciprocity agreement is only intended by the United States Government as a prelude to the complete abolition of the customs line between Canada and the United States such as the United States, being the more powerful nation, will under the agreement be able to enforce upon Canada whenever she pleases.

It is regarded as strange that proposals so momentous, to British trade and the Empire treaty system should not be even mentioned in Mr. Bryce's published reports to the Home Government.

Lord Ampthill has a letter on the subject in The Times to-day, and it will be raised in the House of Commons tomorrow.

Other Loans in London.

In connection with our issues in London, it is instructive to note how big loans, other than Canadian, are faring in the London market.

The new Western Australian loan of £1,650,000, which was launched on that market on February 21st, was a redemption loan, and, although the list for cash applications was closed on February 24th, holders of the Western Australian four per cent. stock, 1911-31, under notice of redemption on April 15th next, could exercise their option to convert up to 4 o'clock on Friday last. The loan has been entirely taken up by the outside public and the holders of the four per cent. stock, so that the underwriters on this occasion will not have to carry any portion of the issue. This is a great improvement upon the last loan, issued less than twelve months ago at the same price, when the underwriters had to take the greater portion of the issue, and will serve to clear the way for some of the other Australian issues. The terms under which the new loan was issued practically secure to the investor over 3¾ per cent.

Some Previous Borrowings.

Respecting the British Columbia Electric Railway issue, it is recalled that this corporation has borrowed overseas every year since 1905 with the exception of 1909. Here is a list:—

December, 1905.—Five per cent. cumulative perpetual preference shares of £1 each, issued at £1-0-10 per share	£ 185,000
March, 1907.—Four and one-half per cent. perpetual consolidated debenture stock, issued at 98	300,000
June, 1908.—One hundred thousand 5 per cent. preferred and 100,000 deferred shares of £1 each, issued at 21/- per share	200,000
December, 1908.—Four and one-quarter per cent. perpetual consolidated debenture stock, issued at 99	500,000
February, 1910.—Four and one-quarter per cent. perpetual consolidated debenture stock	530,000
October, 1910.—Two hundred thousand 5 per cent. cumulative preference shares at 4/- per share and 200,000 preferred ordinary shares at 22/- per share and 200,000 deferred shares, at 20/- per share	600,000
March, 1911.—Four and one-quarter per cent. perpetual consolidated debenture stock at par	600,000
Total	£2,915,000

Mr. H. W. Nixon has been appointed manager of the Sterling Bank, Haliburton.

The Bank of Vancouver is considering the opening of a branch at Abbotsford, B.C.

Manitoba contractors report a busy season, eclipsing all former records in the quantity of ties, timber, poles, posts, cordwood, pulp and logs which have been cut. From 15,000 to 20,000 men have been employed at this work continuously, and over $500,000 paid in wages. At Fort Frances the estimated cut of pulpwood is 200,000 cords, this large amount being due to bush fires which swept throughout Rainy River country last fall. The number of ties cut will reach nearly 4,000,000 in the several camps located along the Canadian Northern and Canadian Pacific Railways. Telegraph and telephone poles will reach nearly 250,000, while the logs cut for lumber companies will show 150,000 feet.

TRADE WITH JAPAN.

Growth Has Not Been Rapid, but Indications for Future Are Good.

During the next decade Canada's trade with Japan will probably be developed considerably.

Our total trade with Japan in 1901 was $1,809,551, and last year $2,863,131. This does not show a very large increase during the past ten years. But activity in British Columbia especially indicates more rapid growth in the Dominion's trade with the Far East. Last year, the total imports from Japan were valued at $2,202,609. In exchange Canada sold goods valued at only $660,522. The principal articles imported from Japan last year were breadstuffs, $282,629; brooms and brushes, $39,605; carpets, mats and rugs, $55,075; drugs and chemicals, $75,953; earthenware, $76,020; flax, hemp and jute and manufactures, $88,071; nuts, $39,778; silk and manufactures, $436,540; spirits and wines, $32,709; tea, $743,803. Among the chief items which Canada sold to Japan in 1910 were breadstuffs, $58,298; fish, $212,813; metals, $257,472.

Total Foreign Trade.

The total foreign trade of Japan, excluding Formosa and Korea, amounted in 1910, to £94,189,000, of which £47,391,000 were imports, and £46,798,000 exports. As compared with the figures for 1909, the total trade shows an increase of £11,776,000, and as compared with 1907, the record year, a decrease of £430,000. It should be noted, however, that the returns from which the above figures are taken are exclusive of trade with Formosa, and since September, 1910, of trade with Korea. The total trade of Japan with Korea during the four months ended December, 1910, amounted to about £2,300,000.

From these figures it will be seen that last year's trade surpassed all records. Trade conditions have been improving and, though there is still some weakness, have shown a recovery from the severe depression of the two earlier years. Taken by itself the year 1910 was a good one, but foreign merchants have been handicapped by the accumulation of bad debts and unsaleable stocks carried over from 1908 and 1909.

Stocks in Hand Are Small.

The competition from direct import and export trade, also, appears to have been keener than ever before. It is satisfactory to note that stocks in hand are small. Turning to economic conditions during the year, there has been an exceptionally large supply of cheap capital in the country, produced by the Government policy of loan redemption. In order to find employment for the large amount of idle capital at their disposal the banks have reduced their rates of interest, and advantage has been taken of these favorable conditions to set on foot a large number of new enterprises, and to revive or extend many undertakings that, begun some years ago when trade was good, have been compelled to await a slackening of the money market to enable them to be brought to completion.

Of the Rice Harvest.

The rice harvest, always an important factor, has been a bad one. The final result, published in the "Official Gazette," of February 8th, is 46,632,593 koku (about 231,300,000 bushels), a decrease of 11.0 per cent. as compared with the record crop of the preceding year, and of 4.9 per cent. as compared with the crop for a normal year. The cause of the poorness of the crop lies in the almost unprecedented severity of the floods which occurred in August and September. These floods, however, did not affect the western half of the main island or the Kinshiu district. The farmers in these districts will therefore reap the double advantage of a good crop and high prices, and it is not expected that the purchasing power of the peasant class as a whole will be much impaired. The effects of this harvest will, however, be more evident in the present year than they were in 1910.

Trade With United Kingdom.

Speaking generally, the conspicuous features of the export trade of Japan last year were the large increases in the amounts of raw silk and cotton yarns, while the import trade showed a corresponding increase in the amount of raw cotton. The volume of trade with the United Kingdom increased in 1910; exports from Japan decreased somewhat, whilst in imports there was an increase of about 10 per cent. over the previous year's figures. The trade with the Chief Continental European countries, British India, Australia and the United States also increased. Trade with China showed a large increase in both imports and exports, chiefly in raw cotton and cotton yarns respectively.

That the Welland Canal will be enlarged and a beginning made on the construction of the Georgian Bay Canal, is a statement made to the House of Commons by Mr. G. P. Graham in presenting his annual budget. He stated that survey parties are now working on three routes for the enlargement of the Welland Canal, and he hoped that a choice of routes might soon be made so that work could be completed, permitting large vessels to reach the foot of Lake Ontario without breaking bulk.