

RUSSIA AND GERMANY.

It will be remembered how that some time back the United States complained of the methods resorted to by Germany to keep out the American hog. Now Russia and Germany are at issue on the subject of tariff regulations. The condition of things which exists along the border and among those who do business together is described as intolerable. Russia began by imposing a duty of 30 per cent. upon all German products. Germany retaliated with a duty of 50 per cent. upon all Russian products. Russia's second shot was in the shape of an increase from 30 to 80 per cent. upon German products and an additional tonnage duty upon German ships entering her ports. Germany cannot put the duties any higher just now because the constitution prohibits the imposition of more than 50 per cent. without the express sanction of the Reichstag. It is alleged that the action of Russia is due expressly to the determination of the Czar to break off all relations with Germany. He hopes also by shutting the gates of Russia against German commodities and leaving them open to those of Austria to be able to detach the latter power from the Triple Alliance.

RAILWAYS IN THE U. S.

In its statement for the year, *Poor's Manual* gives the total railroads of the United States up to December 31, 1892, as 175,223 miles, the net increase in the year having been 4,429 miles. The mileage at the close of the fiscal years of the companies was 171,866 miles of main line track. The liabilities of these companies were \$11,089,000,000, and the assets \$11,182,000,000. Full statistics of operations were received from companies operating 170,607 miles, and on these the following figures are based: The revenue train mileage, exclusive of elevated roads, was 85,000,000; the passenger mileage, 13,097,000,000; the freight ton mileage, 81,418,000,000. The total traffic earnings were \$1,265,000,000, operating expenses \$847,000,000, net earnings \$359,000,000, other receipts \$115,000,000, and total available revenue \$473,000,000. The payments in interest amounted to over \$230,000,000, and in dividends to a little over \$83,000,000.

The ton-mile rate for the year was .967 which is somewhat better than the two preceding years, and nearly as good as the year 1889. The freight receipts per mile of railroad were the best since 1883, having been \$4,757. The tons of freight hauled per mile of railroad were 4,392, the highest figure ever recorded. The tons of freight per freight train mile were 161.21—less than either of the two preceding years, but greater than in any other year. The average haul per ton was 112.7 miles. The average passenger fare was 2.143 cents per mile, being the lowest ever recorded. The receipts per mile of railroad were \$1,721 from passenger fares, which is less than most of the preceding ten years. The passengers carried per mile of railroad were 1,375 and the average train load 42.29. The interest paid on bonds and debt amounted to 4.38 per cent., the dividends

on stock to 1.08 per cent., and the total payments of interest and dividends to 3.01. The locomotive equipment at the end of 1892 is reported as 35,751; the passenger service cars at 31,221, and the freight cars 1,108,867. The miles of steel rail in track were reported as 182,558, being an increase of about 8,000 miles; and the miles of iron rails were reported as 38,041, a decrease of 1,100.

THE FEDERAL BANK OF CANADA.

At last the affairs of the Federal Bank are reported to be practically wound up. In 1881, the capital was reduced from \$3,000,000, of which \$2,952,680 was represented as paid up, to \$1,250,000. On the reduced capital a final dividend, in winding up, has been paid of 50 per cent., so that about half the remnant of \$1,250,000 of the stock has also disappeared. Besides this the Rest, at one time reported \$1,500,000, has gone with the other losses.

There are no means, at present, of knowing what were the total losses suffered by the public through this Bank. They were probably not less than \$7,000,000, and it is claimed at this late period to be the bounden duty of the Government to cause a searching enquiry to be made into the whole of this business. The books ought still to be in existence, for their destruction would be a misdemeanor under the Fraudulent Trustees' Act.

On June 19, 1883, the directors, acting in connection with the general manager, and necessarily relying upon him, state that "after making full provision for bad and doubtful debts," there was a net profit for the past year of \$459,265.61. On the 17th May, 1884, they declared how much net profits remain after "providing for bad and doubtful debts." It is true they did not say "all bad and doubtful debts," but their language should be understood in this sense.

At this time, despite the assurance of the directors, bad debts had accumulated to an enormous extent, and it became necessary to change the manager. On the 28th of June Mr. Yarker came to the aid of the bank, and he, after examining the accounts for four months, came to the conclusion that the bad debts, for which just before his accession to the management provision was said to have been made, figured up to \$2,621,121.37, and doubtful debts to \$349,155.94.

The directors and the first general manager may, it is well said, consider themselves fortunate to have escaped criminal prosecution. The English Act, known as the Fraudulent Trustees' Act, which in 1858 became the law of Canada, makes the publication by any director of a public company, of a statement which he knows to be false, "with intent to induce any person to become a shareholder or partner," a misdemeanor, punishable with three years' imprisonment. Are there none of them yet to be made example of, for iniquity of this kind ought not to be allowed to go unpunished? At least for the sake of the good name of the country and as a deterrent for the future, the machinery of the law ought to be set in operation and the guilty parties be made to suffer. It is under an accusation of making false statements that the president and

manager of the Commercial Bank of Manitoba lie at the present time.

EDITORIAL COMMENT.

THE returns of the shipping trade of the port of Quebec continue to show a steady decline in the number of arrivals from sea. From the opening of navigation to date, only 141 sailing vessels have arrived, as compared with 237 during the corresponding period of last year. But it must not be forgotten that the number and tonnage of steamships is greatly augmenting.

INSURANCE managers in Canada complain regarding the enormous amount of uncollected premiums. Several institutions admit that this item is larger just now than ever before in their history. Insurers are becoming more and more backward in paying for the policies they hold; but if a loss occurs it must be promptly settled, and there is no good reason why premiums should not be paid as quickly.

THE monthly bulletin issued by the Toronto Board of Trade shows the value of imports and exports for July. The total value of imports during that month was \$1,790,755, and of exports \$260,200, the aggregate being \$2,051,045. The figures for July, 1892, were:—Imports, \$1,908,024; exports, \$224,303; with an aggregate of \$2,132,927. It will thus be seen that the aggregate value of goods handled during July, 1893, is some \$80,000 less than that for the same time last year.

THE returns of traffic on the Intercolonial Railway for the year ending June 30, show earnings, \$3,665,499.09; working expenses \$3,045,317.50; leaving a net profit on the year's transactions of \$20,181.49. The figures of the previous year were: earnings, \$2,945,411; working expenses, \$3,439,377; leaving a deficit of \$493,935. This is a good showing when it is considered that a deficit of almost \$500,000 is wiped out within a year's time, and a balance of something like \$20,000 of profits added. Moreover, the earnings have reached the highest point in the railway's history.

THE wheat market does not promise any considerable permanent rise for the present, for, though the British, European and United States crops are all short, the supplies carried over seem ample to meet the deficiency. The *London Times* says that the continued depression in wheat is due to the large stocks in hand is certain, as *Dornbusch* gives the supplies in the hands of farmers, United Kingdom traders, afloat, and in America at the end of the 47th week of the cereal year, as 15,480,000 qrs., against 9,876,877 qrs., at the same period last year, and 6,705,193 qrs., in 1891. The imports are also likely to be heavy and depress prices. On July 22, there were no fewer than 3,236,000 qrs., of wheat and flour (as wheat) afloat for the United Kingdom, against 1,937,000 qrs., on July 23, 1892, and 2,129,000 qrs., on July 25, 1891. The English quarter is eight bushels,