# THE TRADE REVIEW

AND

Intercolonial Journal of Commerce.

MONTREAL, FRIDAY, SEPTEMBER 11, 1868.

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## EXTENSION OF THE MONEY ORDER SYSTEM.

THE extraordinary increase in the amount of money orders issued in the United States, from a fraction under four millions of dollars in 1866, to something over nine and a quarter millions in the twelve months ending the 30th June, 1867, shows very conclusively the perfect confidence our American cousins have in this method of transmitting money over the old plan of forwarding sums by mail through the post. The general uncertainty of these amounts reaching their destination, was a frequent source of anxiety to parties sending money to a distance; now happily this is all removed, and it is one's own fault if his small payments are not promptly acknowledged. Although the average amount of orders per head passing through the mails in the States, is much below what it is in Canada, yet this rapidly growing system has now reached such a point, that our Government should no longer delay such measures as would ensure the interchange of money orders between the Dominion and the American Union. Nor do we believe any practical difficulty exists. It is no doubt true that the American currency is, and has been for some time in a very disturbed condition, but this has not put a stop to Bills of Exchange between the United States and England, neither does it prevent parties taking passage for Europe by British packets, or merchants purchasing goods of their connexions in the United Kingdom, for the simple reason that these transactions are founded on the basis of gold, and why should not money orders be drawn and paid on a gold basis also? We believe that if this system was properly organized it would reflect the greatest possible credit on the administrators of the Post Office both in Canada and in the United States, and prove a lucrative source of revenue to these two countries. In our opinion, however, it would not be wise for the American Government to stop here, but as their British connexion is so extensive, they should have a similar interchange with Great Britain and the rest of her Colonies, wherever this system for the transmission of small sums is organized.

## SCHEME FOR THE ABSORPTION OF UNITED STATES SILVER COIN BY GOVERNMENT OF CANADA.

THE "Silver movement" in Ontario is now generally conceded to have been a failure, silver being now everywhere taken at par as formerly, with the exception, we believe, of Toronto and London alone. The causes of this failure lay in the number of people of different and opposing interests who had to come into and carry out the agreement not to accept silver at its face value, and the ease with which the agreement, while nominally unbroken, could practically be disregarded by the parties thereto. We predicted failure for the movement, but the certainty that in the very nature of things it could not succeed prevents us from laying any claim to superior wisdom on this score.

This movement to depreciate the current value of silver coin, even had it succeeded in its avowed object, would have failed to drive the objectionable article out of the country, and, as even at the discount the banks would not agree to accept it, it would still have to be bought and sold, and the broker would still get his shave on the transaction. We know of but one way in which the Dominion can, without much loss, free itself from what is now so very widely called and believed to be a nuisance. We, for our own part, have not looked on the abundance of silver coin as much of a curse to this country, and have on several occasions given our reasons for the opinions we held; but, nevertheless, there are so many who really believe that they are suffering a direct loss whenever they lose the discount on silver, and their desire is so strong to get rid of it, that we, with some degree of diffidence, venture to lay before our readers a scheme whereby the wished-for result may be reached.

What we propose then is, that our Government should obtain authority at the next session of Parliament to issue Legal Tender Notes at par in exchange for all the United States 50c. and 25c. silver coins now in circulation; these Legal Tenders not to be redeemable until one year shall have elapsed from the time of their first being issued, but twenty per cent. of the amount circulated (as is the case with the Provincial Notes now in existence) to be held by Government as a guarantee. After the year shall have expired, then these notes, which have been given for silver, shall be redeemable in gold at the counter of the Government Bank. The amount put into circulation would, according to our estimate, be from six to eight millions of dollars, and these new notes might be so engraved as to be readily distinguishable from those already in circulation. The fact of their being a legal tender, and that they would be redeemable after a year, would