

asking for power to issue notes in case a sufficient amount should not be raised on debentures."

This is a material modification of the scheme proposed under the resolutions and it is not likely the Banks will go into so mixed a business. It appears almost equivalent to an abandonment of the original plan. We trust the Government will be assisted by the Banks in providing for the amount due the present year, and have no doubt the 7 per cent. debentures will meet ready sale at a satisfactory price.

We think Mr Galt will, on due reflection, be able to see other objections to his scheme besides the ones he acknowledges.

LETTER FROM ENGLAND COMMERCIAL REVIEW.

(Special Correspondence of the Trade Review.)

[Per "JAVA"]

THE most interesting event in commercial circles this week has been the completion of the Atlantic Telegraph Cable. We are informed, indeed, to-day, that the telegraph between Newfoundland and the main land is not working, but, doubtless, ere this letter reaches you, all will be put right, and any anticipations that we may venture on of the probable course of the money market or of trade, will refer to events which have become with you matters of history. There have already been many very extravagant estimates of the benefits which the two countries will derive from this closer union, but it may almost be doubted if the most extravagant of these will not be surpassed by the reality. To commerce, the gains will be especially great, and it may be worth while to point out in what direction these will chiefly be. We can, however, only enumerate one or two of the more important.

In the first place, then, merchants, and shipowners, and manufacturers, in the one country, will have a more direct control over their affairs in the other. These will be informed by the various public market reports of what is going on, and, when necessary, they can be actually consulted as to important business transactions. Captains, and agents, and brokers, who have now to act on their own responsibility, and often upon a partial and one-sided view of a case, will then have the opportunity of giving their views to their principals, but the final decision will be thrown upon the persons most interested and best informed of all the circumstances required to form a correct judgment. In the same way bad debts will be avoided. The failure of a house in New York may bring down a house or two in Liverpool, or vice versa, and the prompter the advice of the failure, the less damage will be done. Attempts at fraud will also be rarer, because more liable to detection, and fugitives from justice, will, in future, regard an Atlantic steamer as a kind of vehicle to a jail, and will be correspondingly careful as to how they venture into it.

Probably, however, the widest and most general benefit of the telegraph will be its tendency to render prices more uniform, and to prevent violent fluctuations in trade. The whole course of modern discoveries has been in this direction, and now the last very important step which science can take, has been taken. The carrying trade of the world is gradually falling into the hands of railways and steamboats, especially screw steamers, and now the ordering of goods, and the regulation of the prices, will be done, to use the old simile, "as quick as thought." At present the merchant cannot write to America, and have replies under about twenty days and thus by the time he has received his advices and sent his orders, founded upon these advices, the entire course of trade may have changed. Now, the markets upon each side of the Atlantic will be in perfect sympathy, and prices will be regulated upon the fullest and latest knowledge of the facts. The moral effects of this, in preventing that undue speculation, which is really gambling, will not be among the least of the benefits of the "cable."

General regret is expressed at the fact that the Company has placed its rates for messages so high as £1 per head, with a minimum charge of £20. Such a rate cannot be long maintained, but it will be a serious drawback to the immediate value of the undertaking. It is also not unlikely that a very high rate will be exacted for news, such as political and commercial intelligence, the state of the markets, the bank returns, &c. All this will, however, soon right itself, and especially if the broken cable be fished up and successfully laid, we may expect a very early change in the tariff.

The past week has been a very quiet one in trade. The pressure of the Bank discount rate of 10 per cent

is undoubtedly telling on the country, and the uncertainty which at one time prevailed as to the prospects of peace on the Continent tended to check business. These prospects are, however, very much brighter, and as the money market is also becoming more favorable, the work class with a better feeling. The Bank returns, of which I now give an analysis, show an increase in the reserve and a very fair decrease in the liabilities, and must therefore be regarded as upon the whole favorable.

	Am't M.L.	Incr'e M.L.	Decr'e M.L.
The Paid Deposits	2,617	356	
The Other Deposits	18,647		1,274
The Government Securities	9,828		200
The Other Securities	25,742		1,010
The Circulation	25,203		158
The Bullion	13,717	71	
The Reserve	3,451		220

The Cotton Market, which was very brisk in the beginning of the week, became heavy on Wednesday, and it is only to-day (Saturday) that there has been a slight change. The transactions in Liverpool for the week ending on Friday have, however, been on a large scale, having amounted to 162,569 bales, of which the trade has taken 66,200 bales. The estimated stock is now 843,000 bales against 322,500 bales last year. The Manchester market has been quiet during the week, and yesterday was especially dull.

The Grain Markets have been very dull, owing to the fine weather, which is fast bringing in the harvest, and to the prospects of peace. All articles have receded in value, and buyers are not at all anxious to go into stock.

The funds have also been dull, and consols, which at one time had advanced, again fell back when it was announced that Mr. Gladstone's scheme for paying off a portion of the National Debt would not be persevered in. In other public securities there has been no change.

July 28, 1866

THE CABLE—COMMERCIALLY.

VIEWED from almost any point of view, the Atlantic Cable is the greatest achievement of the age. As a triumph of human skill and perseverance—as a scientific feat—the London Times might well pronounce it to be "the glory of the age," but when commercially considered, it appears equally stupendous and important. Since the glorious tidings first came to hand, announcing that the "Great Eastern" had accomplished her great work, we have heard much of its effect in producing peace and good-will among the nations. It is not a little remarkable that the first news which flashed across the caverns of the deep, should have been the termination of the war between Austria, Prussia and Italy. This was certainly an auspicious beginning, and we do not doubt that peace and good-feeling will, at least, be promoted between the two great kindred nations which the cable unites, and who share together the honor of the work. But, after all, the great practical advantages of the cable will be commercial—multiplying and simplifying, as it will, commercial transactions between all parts of the globe.

The cable, "commercially," may be considered from two points of view: its effect upon the commerce of the world, and its own success as a commercial enterprise. With reference to the first point, there can be little doubt that the cable will increase commerce to a large extent. This result may be partially delayed in consequence of one line, or even two, should the old cable be recovered,—being unable to fulfill all orders at reasonable rates. But this objection would not long remain. We now know the proper kind of cable and the proper way to lay it, and we are certain the demands of an ever-expanding commerce will soon render more lines necessary. The cable brings the centres of commerce closer together. It seems almost past belief, but it is true, that a merchant in Vancouver's Island could send off an order for goods to Liverpool in the morning, and before night they might be on board one of the Cunard or Inman steamers sailing for their destination! The merchant of New York or Montreal is brought within a few hours' time of correspondents in certain points of Asia or Africa? If the company keep their tariff at \$5 per word of five letters, our commerce with the Africans and Asiatics may be rather short and pointed—almost literally "yea, yea," and "nay, nay;" but it will be sure, at least, to make us better acquainted, to learn more of each others wants and virtues, and greatly facilitate

our endeavours to supply the one, and emulate the other.

The cable will largely assist in decreasing the risk of commercial ventures between the two continents. The markets, even in so steady a country as Great Britain, are very variable. How many cargoes have been detained in America on account of a steamer's report of declining markets, which probably rose again within a few days of her departure? How many ships have been made on the strength of "the latest news," when, long before they reached Europe, further tidings arrived, telling the consignee of lower prices and ruinous sacrifices. The cable does not do away with all risk. But it decreases it one-half, for heretofore shippers have had to base their speculations on the state of the markets nearly a month before their cargoes could be delivered, whereas now they can obtain the prices going in London and Paris the very day they send their shipments to sea. The risks of commerce being decreased between Europe and America, we may with certainty calculate on fewer of those immense failures which startle the commercial world every year, and a great increase in the commerce between the two continents.

Commerce will also be greatly increased by the facility with which our merchants and others can give orders abroad. In ordering goods from Europe the electric fluid saves us about two weeks' time. Only those long engaged in wholesale trade know how often fresh supplies of goods would be ordered if they could reach America two weeks earlier. Four weeks before the close of the business season, a merchant may now order goods by telegraph, have them on his shelves in two weeks, and all of them sold before the month expires. Under the old, and now "slow-coach" system, he would not have dared to make the order, lest the goods should not arrive before the season closed, and he should be forced to suffer the loss and inconvenience of holding them over to the following season. In a thousand ways, this saving of time by means of the cable, will benefit the commercial world, and foster and increase trade.

As a commercial speculation, the cable must pay and pay well. There has no doubt been a vast amount of money spent by the company, and the losses heretofore encountered will not be made up in a day. But if the "Great Eastern" should succeed in grappling the old cable, and great hopes of this are entertained in consequence of the admirable machinery made for that purpose, then that loss will disappear, and the company's stock become doubly valuable. The charges which have been decided upon are pretty high, and must bring in a rich harvest. There can be no doubt that there will be more than business enough to keep one cable going night and day. Everybody expects this. At the present tariff of charges, that amount of business must yield a large revenue. Telegraph lines on land generally pay pretty handsomely at 25c for ten words, but where would they stop away their surplus specie if they received \$1 for every letter of the alphabet, and no poles to blow down either? If the second cable is recovered and put in operation the public may soon expect a reduction in the charges. This result would be almost certain. Its effect would be to largely increase the business of the company, and increase its income. Both the public and the Company are greatly interested in securing a second line, and we sincerely hope the cable fleet will be as completely successful in the second, as they have been in the first part of their great enterprise.

The circle of enterprising and persevering men who have made the Atlantic Cable a success, have been made famous for all time. We believe their commercial enterprise will also bring them a more solid reward, and we are sure the two continents, which they have united together, will agree in declaring that no men ever more richly deserved it. Gentlemen of the Atlantic Telegraph Company, all hail! Go on and prosper!

Cotton Crop in the United States.

The United States Economist is of opinion that the crop of cotton will be rather above than below the estimates of those interested. These estimates vary from one and a half to two million bales. A correspondent of the New York Times, whose position under Government required his almost constant presence at the South, estimates the crop of 1866 at 2,675,000 bales, or about one half that of 1860. It is exceedingly difficult to come to any approximation of a crop that is still unharvested, and information from farmers or planters is notoriously unreliable, it being their direct interest to maintain high prices.