

the crops were damaged by rust, and in consequence of this the grade of wheat was not so high as the hopes of the farmers had led them to anticipate. The crop was, however, bountiful, being estimated at sixty million bushels; while the inferiority in quality was more than made up by the higher price obtained, and it is estimated that the wheat alone will realize forty million dollars. The influx of settlers consequently continues, many still coming into the country from across the boundary, and bringing with them not only capital but valuable experience. New lands are being constantly taken up, while farmers already on the ground have been adding to their holdings. This is, perhaps a weak spot at the present time, for, encouraged by the success of past seasons, and seeing the price of land steadily advancing in value, no doubt many have been tempted to make larger purchases than their capital justifies. That the price of land should advance under the influence of a constant stream of settlers is only natural but there is reason to fear that the speculator has also contributed to this movement, and this is much to be regretted, for speculation of that sort actually retards the progress of the country. It is also noticeable that the number of commercial failures in Manitoba and the North-West Territories has increased, although the total of such liabilities has not increased in like proportion. It is difficult for us who remain at home, or perhaps pay an occasional visit to the West to realize the amount of self-restraint that is necessary in these western communities, if business is to be kept on a safe basis; the potentialities of the country are so immense, the genuine opportunities for extension are so frequent, and the very climate is so conducive to a sanguine temperament. But we are convinced that the true development of the country in the future is dependent upon the prudence of those who have the power of granting or withholding credit, and we fully recognize our own share of this responsibility.

The U.S. "Drawback."

No reference to the North-West would be complete without some mention of the new departure by the Government of the United States, with reference to the importation of wheat from Canada. Hitherto wheat has been subject to a duty of 25 per cent. There has been no alteration in the law but there is in existence a law by which the United States Treasury may permit a "drawback" of 99 per cent. of the duty paid on raw materials used in manufacturing articles intended for export only. In future wheat is to be included amongst such raw materials. I do not intend to wander on to the debatable ground of fiscal questions, but this action by the United States Treasury may have effects not at present contemplated. To the wheat grower in the West it must surely be beneficial, inasmuch as he will find a new market open to him where the price of his produce is, as a rule, higher than that to which he has been accustomed. Those who may wish to pursue this interesting subject further should refer to the Commercial supplement of the Times of February 6th and 20th, or to the Canadian Gazette of February 9th. Since the harvest the weather has been unusually favorable for farming operations, and I have seen it stated that the land already under plough for next season is 500,000 acres in excess of that at this time last year, and that a reasonable estimate of the land under wheat in 1905, is $4\frac{1}{2}$ million acres.

Mining Industries.

Passing on westwards, the mining industries of British Columbia have shown considerable activity during 1904, and a rough estimate compiled by the Provincial Government values the mineral output at \$19,775,000. This shows an increase of more than \$2,000,000 over the production of 1902 and 1903, but just falls short of 1901, when the output reached \$20,000,000.

This increased production has not, however, been accompanied by any better results for the shareholders in either the Canadian companies or those established in the United Kingdom, and in all alike, profits, where existing at all, have been meagre in the extreme. Efforts are now being made by influential persons in Canada and the United Kingdom, representing some of the principal companies in the Rossland Camp, to bring about an amalgamation of interests, and should these efforts meet with success there should be brighter days ere long. In the Yukon, on the other hand, the output of gold showed further diminution, barely reaching \$10,000,000 in 1904, compared with \$11,000,000 in the preceding year. The population of Dawson is also considerably less than it was a year ago; but this is by no means surprising, for in placer mining camps as the auriferous ground is worked out the miners move on to more attractive fields of labor; and so it has been in this case, the exodus to the goldfields of Tanana and Fairbanks, having been on a large scale. Apart from fresh discoveries that may be made, either of alluvial or quartz, the future of the camp appears to depend chiefly upon an adequate water supply, and I understand that efforts are being made towards the attainment of this object. Whatever may be the output for the future, it is interesting to look back on the results of the camp, since it first came prominently into notice seven years

ago, for during this period the value of gold recovered has certainly not been less than £20,000,000. These figures must surely entitle it to rank amongst the wealthiest placer mining camps in the world. On the Pacific Coast the canning industry met with poor results, the catch being small. Last autumn our general manager visited England by invitation of the court, as there were matters which we desired to discuss with him personally. His visit was most valuable; we availed ourselves of the opportunity of frequent consultations with him, which we trust may be productive of good in the future.

A vote of thanks to the directors, general manager and staff was unanimously passed.

THE BANK OF BRITISH NORTH AMERICA.

Balance Sheet for the Half-Year Ending 31st December, 1904.

Dr.	
To capital	\$4,866,666 66
20,000 shares of £50 each, fully paid.	
To reserve fund	2,044,000 00
To deposits and current accounts	17,887,704 44
To notes in circulation	3,017,607 30
To bills payable and other liabilities, including provision for contingencies	10,979,817 73
To rebate account	80,287 90
To liabilities on endorsements ..	\$1,122,256 57
To profit and loss account—balance brought forward from 30th June, 1904	176,817 12
Dividend paid October, 1904	146,000 00
	\$ 30,817 12
Net profit for the half-year ending this date, after deducting all current charges, and providing for bad and doubtful debts	298,527 83
	\$ 329,344 95
Deduct:—	
Transferred to bank premises account.	\$48,666 66
Transferred to reserve fund	97,333 33
Transferred to officers' widows' and orphans' fund	2,500 00
Transferred to officers' pension fund	2,771 30
	151,271 29
Balance available for April dividend ..	178,073 66
	\$39,054,157 69
Cr.	
By cash and specie at bankers and in hand	\$3,645,661 43
By cash at call and short notice.	7,935,271 00
	\$11,580,932 43
By investments—	
Consols, £225,000 at 86	\$941,700 00
National war loan, £50,000 at 90	219,000 00
Exchequer bonds, £25,000	119,461 46
	1,280,161 46
Dominion of Canada bonds, £140,000 at 97	660,893 33
Other securities	650,142 00
	2,591,196 79
By bills receivable, loans on security, and other accounts	23,853,783 46
By bank premises, etc., in London, and at the branches	877,589 28
By deposit with Dominion Government required by Act of Parliament for security of general bank note of circulation	150,655 73

Note.—The latest monthly return received from Dawson City is that of the 30th November, 1904, and the figures of that return are introduced into this account. The balance of the transactions for December with that branch has been carried to a suspense account, pending the receipt of the December accounts.

\$39,054,157 69