

to intervene and represent the plaintiff in the suit. The plaintiff objected, contending that as a foreigner he was not liable to the Insolvent laws. Mr. Justice Hagarty in delivering the judgment of the Court remarked: "This point is one of great practical importance, and is raised for the first time since the passing of the Act which contains no provision extending its operation expressly to aliens and denizens." Reluctance was expressed to decide such a matter on motion, and a plan was suggested to have the question properly raised.

Communications.

MONTREAL CORRESPONDENCE.

(From our own Correspondent.)

MONTREAL, 29th June, 1868.

The accounts from nearly all parts of the Province of Quebec report the weather favorable and the crops promising, and if fortunate in the housing, the harvest will be the most abundant we had for many years.

Finance.—Trade generally is so dull that the requirements of our mercantile houses are comparatively light. The demand at the banks, however, is not so light as to induce any concessions in the rates current for some time past.

Produce.—The demand for local use, combined with limited receipts, have caused the market to rule firm with a slight upward tendency.

Groceries.—This branch of trade has been more than usually brisk, but prices are not improved.

Hardware.—Business has been quiet during the week. Prices unchanged.

Stocks.—The transactions in bank and other stocks have been very limited. The only sale of importance being of "People's Bank," of which a considerable amount changed hands at 108½. Rates of other stocks have not varied during the last week.

By the monthly return of imports for May, the value of books, pamphlets and periodicals entered at the Montreal Custom House, during the month, amounted to \$22,000, yielding a revenue of \$1,100 to the Dominion Government.

The Provincial and Industrial Exhibition is to be held in this city (Montreal) in September next. Prizes to the value of \$12,000 will be offered, and every arrangement made to attract and satisfy competitors.

HOW TO MAKE THE ST. LAWRENCE THE COMMERCIAL HIGHWAY OF THE WEST.

To the Editor of the Canadian Monetary Times.

HALIFAX, June, 1868.

SIR,—I purpose in a few papers on this subject, to show that the St. Lawrence is destined to be the Commercial highway for the trade of the West, which must ere long assume such vast proportions, that no artificial means of transport can suffice to afford an adequate outlet for it, or can become a successful competitor with the great chain of water communication, extending from the head of Lake Superior to the Gulf of St. Lawrence; that to divert the present trade through the St. Lawrence, we must enlarge our canals and improve our water communication, and above all must provide *return freights*, so as to lower the cost of transport; that as fuel is an article which must always be in demand, the coal deposits of the new Dominion, situated far out in the Atlantic, near the convenient harbors of Pictou County, Nova Scotia, are destined to do for our commerce what the export of coal has accomplished for the trade of Britain. It will be shown from reliable authorities, that this system of utilizing the coal trade, is the secret of England's commercial and manufacturing supremacy,

enabling her to draw to herself the raw materials and the products of every country and climate. This export of coal is even more important to the commerce than to the coal mines of Britain, as it yielded in one year about £4,000,000 stg. to her coal owners, while it was worth, at least, £6,000,000 stg. to the shipping interests of the United Kingdom. It will be shown that our vast coal deposits at a point so near to Europe, may be, in the same way, utilized as a lever by which to move the products of the west through the St. Lawrence, and that the entrepôt for its trade, which is to be a successful competitor with New York, is destined to be, not Quebec or a point more distant from Europe, but some ports in the eastern extremity of the Dominion—which could supply a return freight of fuel to shippers of the produce of the west and could secure freights homeward to England at a low rate from their proximity to the European markets, and their being situated so conveniently where the great highway of traffic across the Atlantic branches off, one road leading up the St. Lawrence to the lakes of the west, while the other passes along the southern coasts of Nova Scotia towards the United States.

Our great aim must be to draw the trade of the west through the St. Lawrence. What point will be the entrepôt for this trade, time will show. At present, New York has proved a successful rival. If the St. Lawrence can be made to compete for the prize, the whole Dominion will gain, whatever port in it may prove the most available point for transshipping the products of the west from propellers to ocean steamers. The influence of the coast-trade of the Dominion and our facilities for drawing the trade of the west through the St. Lawrence has hitherto been overlooked, and its consideration will be worthy the careful attention of commercial men in the New Dominion and in the western States.

Let us first consider the Trade of the West and its outlets. The exports of the Western States are rapidly assuming such gigantic proportions that the great commercial problem of the day is, how to cheapen transport to the Atlantic seaboard. Nature seems to have provided two great outlets for the trade of the interior. The map shows at a glance the direction which they take. The Mississippi supplies a continuous river communication of over two thousand miles in length—from the falls of St. Anthony to the gulf of Mexico—and the attempt is now being made to transport the produce of the west by barges to New Orleans, and thence to Europe. It is manifest, however, that the old adage "the longest way round is the shortest way home" is, in this instance at least, slightly at fault, while outward freight from the Southern States are necessarily very high from their exporting so largely bulky articles, and their imports being comparatively trifling. Should the trade of the west be made to flow through the Mississippi, the disproportion of outward to inward freights would be greatly increased. The attempt, therefore, to utilize the Mississippi as a highway for the trade of the West must prove abortive in the face of another line of water communication, which is 1,537 miles in length, connecting Chicago with the tide waters of the St. Lawrence, while its course is in the direction of the Atlantic seaboard and of the markets for the products of the West. From the Red River territory to Nova Scotia there is almost a continuous line of water communication—a chain of lakes, or, rather, inland seas, connected by rivers or canals, and finding an outlet in the gulf of St. Lawrence. Much has been done to render it available for the purposes of commerce, by a system of canals, and by removing obstructions, but there still remains before us a vast deal to be done before we can fully develop the capabilities of our great water highway from the west to the east. Lake Superior, which is 600 feet above the level of the sea, and 27 feet above Lakes Huron and Michigan, has been made accessible by two locks, through which vessels of 2,000 tons can pass. The Welland Canal, constructed by the Canadian Government, connects Lakes Erie and Ontario by means of twenty-seven locks, which, it is to be regretted, can only afford a passage for vessels of three hundred and fifty tons. The St. Lawrence River is

made available by means of seven short canals, of a total length of forty-seven miles, with twenty-seven locks, through which vessels of 800 tons can pass. Beyond Montreal there is an outlet through the St. Lawrence for vessels drawing twenty feet of water. Had we been situated near less enterprising neighbors, what has been already done would have been the means of directing the whole trade of the west through the St. Lawrence, for the Mississippi never could have successfully competed with it; but a more formidable rival has been found in American energy and enterprise, which, by means of expensive railways and canals, have succeeded in tapping the trade of the west and diverting it to New York. The State of New York has connected the Hudson River with Lake Erie by a canal from Buffalo, and also with Lake Ontario by the Oswego canal, making a line of communication 569 miles in length, allowing a passage for boats of 250 tons. It has also connected Lake Champlain with the Hudson by a canal 65 miles in length, which passes boats of 80 tons. "This territory, then, of the North-West," says a very intelligent correspondent of the *Chicago Tribune*, "has within itself an artificial water navigation of one thousand miles, and eight thousand miles of railway in operation, besides more in progress. It has two natural and two artificial water lines leading to the ocean, besides five great trunk lines of railway extending to the Atlantic seaboard. The ocean ports at the termini of the two natural water lines are Montreal and New Orleans, and those at the termini of the two artificial water-lines are New York and Philadelphia. The ocean ports at the termini of the trunk railways are Quebec, Portland, Boston, New York, Philadelphia and Baltimore."

The enormous trade, still in its infancy, that finds an outlet by these various means of transport, may be inferred from the fact, that from Lake Michigan alone the exports of flour and grain amounted, in one year, to ninety millions of bushels, the average freight of which to New York was 30 cents per bushel. It must soon exceed 100 millions of bushels. The writer to whom I have referred makes a calculation that is somewhat startling, viz.: that a saving of 5 cents per bushel on 100 millions of bushels would be five millions of dollars in one year, or the interest, at 6 per cent., on a capital of about ninety millions of dollars. This calculation, however, only refers to one branch of trade, from Lake Michigan alone. It is difficult to estimate the extent and importance of the fertile regions which find an outlet for their products in the great water highways of the Lakes.

Forty years ago a few log huts marked the site of Chicago, which now ranks as the first grain emporium in the world. A network of railways, continually widening and extending, connects it with a vast country that is teeming with the products of a fertile soil, and of incessant energy and enterprise. What prophet can foretell the results of the next half century? Marvellous results have been accomplished, but the North-West is still in its infancy, and there are greater things yet in store for us. We must look forward and prepare for a development which is inevitable.

R. G. HALIBURTON.

* Letters on the necessity of cheapening transport between the West and the Ocean, by a Western Trader. Milwaukee: Messrs. Jermain & Brightman, No. 94 Mason street.

Insurance.

FIRE RECORD.—Montreal, June 27th.—Varnish factory of R. C. Jamieson & Co.; loss heavy; no insurance. The fire originated while some of the men were placing crude rosin in a still, and spread rapidly.

Glenallan, Ont., June 23.—Armstrong's building, unoccupied; insured for \$300 in the Waterloo Mutual, said to be over its value; cause incendiary.

Arthur, Ont., June 20.—Dr. Henderson's drug store, building owned by Mr. McIntosh, of Arthurs who had an insurance of \$600 in the Wellington Mutual, and there was a risk of \$800 in the Niagara Mutual. The Arthur branch of the British and Foreign Bible So-