

the cheapest price. The Linseed Company came late in the season to their own market and had to buy at the highest price. The next blunder confessed is that they made a frightful miscalculation as to the cost of manufacturing the seed. Their manager led them to believe that the cost of crushing and manufacturing the seed would be only 30 cents per bushel. The actual cost turned out to be 60 cents per bushel. The third blunder confessed has regard to the increased price paid for seed owing to the Americans playing the part of the "early bird." The seed could have been bought early in the season for \$1.40, when the Directors—foolish virgins that they were—came to buy, it had risen to \$2.20. Again, the Directors confess a miscalculation as to the yield of oil. They expected a large supply, they got a small one. Again, they acknowledge that "our calculations for the selling price of oil were found to be erroneous." They expected a high price, they had to accept a low price.

Here are a series of most unpardonable blunders confessed by the Directors themselves, which quite account for the sudden failure of the company. But the discussion that ensued on this report revealed other blunders on the part of the Directors which are just as extraordinary. They had to pay \$7 per cord for fuel this year, whereas last year they procured it for \$4.60. They bought some 6000 bushels of seed from their own President at the high figure of \$2.20, and in every bushel there was five pounds of sand, which seems to have been paid for as seed. We do not wish to be understood as imputing motives, or as charging any one with fraud. Far from it. But we do call public attention to all these mistakes and blunders which happened to this company. To add to the misfortunes of the Directors, their manager—who notwithstanding his miscalculations, is represented as a most experienced and honest man—died just about the time when the company was entering upon its troubles, and then no one in particular seems to have had charge of the mill. The President says he did not think it was his duty to take off his coat and look into the bins to see what kind of seed was in them. The other Director acted up to this feeling also. What else then could be expected but what happened? The company blundered along for a little while until the cash was all squandered and then it suddenly became a bankrupt concern.

We regret this disastrous result. The company was one that we should have been proud to see successful. It was one that would have been eminent. Successful if it had not been murdered by mismanagement. The stockholders are naturally indignant. They have been cruelly victimized. The Hon. Mr. Macpherson expressed their general feeling when he said that, "He was induced to come in only a year ago, on representations of the profitable business that was being carried on—that he would be promoting a useful manufacture, and would at the same time be sure of a handsome return. He was told the expense of crushing a bushel of seed would be 30 cents. It turned out to be 60 cents. He was told the yield would be two gallons and a quart per bushel. It turned out to be very much less. He would ask the President whether he expected that men, after having entered the Company on such representations, should be willing to lose their money and be silent about it?" The Hon. Mr. Brown, who had zealously interested himself in behalf of this new and useful manufacture, also expressed deep chagrin and mortification at the result. We deeply sympathize with the stockholders. They have been heavy pecuniary losers, but the public loss is the heaviest. The establishment of new and useful manufactures has received a most discouraging blow. The confidence between merchant and merchant and one business man and another may have been rudely shaken. We trust, however, no such unfortunate results will follow. The cause of the collapse of the company has been so clearly exposed that we are hopeful that good will ultimately spring from this evil. We have now another example to show us that mismanagement will kill the best public companies. The inconvenience that must follow from the President of a company occupying the false and incompatible position of buyer and seller has been forcibly illustrated. The stupidity of relying on miscalculations has been again made plain. The necessity of having responsible working Directors, and an experienced, hard working reliable manager is made manifest. In future let the shortcomings of the Toronto Linseed Oil Company set as beacons to warn and direct other companies, and then capitalists need not be afraid to invest their money, and new and useful manufactures cannot but succeed.

BRITISH INDIA.

TO not a few of our readers any account of the progress of public works, railways, telegraphs, &c., in the large and populous territory known as British India, will convey information which will be new and, we trust, interesting to them.

In the East as well as in the West, in torrid India as well as in frozen Canada, railway traffic has during the last score or less of years, assumed enormous dimensions. In fact, it is but fourteen years since the first railway was opened in India, and in 1859 only 432 miles were in operation. Since then the increase in mileage has been very rapid, until, at the end of the railway year, mid-summer 1865, there were no less than 2517 miles open. Of this distance 1264 miles were in the Presidency of Bengal and the North-Western Provinces, 630 miles in Madras, 693 miles in Bombay, 114 miles in Sindh, and 123 miles in Punjab.

Subjoined is a statement, showing the yearly amount of increase in the railway mileage of India, and the moneys expended from 1859 to 1865:—

Years ended June 30.	Miles open	Sum Expended. Years ended Dec. 31.
1859	432	23,550,000
1860	734	31,188,000
1861	1028	38,234,000
1862	1684	44,550,000
1863	2234	49,654,000
1864	2681	53,645,000
1865	2747	68,880,000

In 1865 the total paid-up capital of India Railway Companies was £60,000,000, being £3,520,000 in excess of the sum expended on railways.

The increase in receipts from goods and passenger traffic has been very marked, as will be perceived by reference to the following table:—

Years ended June 30.	Goods Traffic.	Passenger Traffic.	Total Receipts.
1859	226,000	160,000	386,000
1860	359,000	231,000	590,000
1861	418,000	322,000	740,000
1862	610,000	446,000	1,056,000
1863	962,000	687,000	1,649,000
1864	1,329,000	974,000	2,303,000
1865	1,816,000	1,302,000	3,117,000

Since writing the foregoing, we have received the official report for the year 1866. The mileage open at the end of that year had increased to 3337. The total length of railways remaining to be constructed and for which a Government guarantee has been granted is 2064 miles. The gross receipts of the year ended 30th June, 1866, were £4,537,265, of which £2,804,534 were net profits.

The statistics of the Indian telegraphic service are only down to the year 1864. In 1852 the first line was opened, 82 miles having been constructed; in 1864 there were 11,739 miles in operation. The following statement gives the progressive increase, cost of construction and of working and maintenance, and the total receipts from business done from the commencement:—

Years ended April 30.	Number of miles.	Cost of construction.	On account of working and maintenance.	Total receipts.
1851	—	2,420	—	—
1852	82	3,789	628	600
1853	83	666	1,522	1,850
1854	91	36,716	5,482	2,533
1855	3,275	67,963	9,374	6,499
1856	3,251	28,178	33,834	23,396
1857	4,162	34,025	19,128	29,937
1858	6,725	60,059	65,901	37,857
1859	9,423	91,729	97,934	64,329
1860	10,433	61,108	166,629	63,319
1861	11,420	34,327	140,633	63,482
1862	11,430	72,389	170,318	68,455
1863	11,257	31,449	131,697	76,106
1864	11,739	67,451	177,232	91,633

INTERCOLONIAL TRADE.

A good deal of speculation and some misapprehension has existed, and still exists regarding the extent to which Canada and the Maritime Provinces will become rivals of each other in the way of manufactured articles, now that the Customs duties are removed. Apprehensions have been indulged in that Canada will manufacture so much more cheaply than the Maritime Provinces, that she will flood their markets and ruin their manufactures. On the other hand, some have anticipated the reverse of this, and that the Maritime Provinces will be able to find a market for their manufactures in Canada. We believe that

neither view of the case will be correct; doubtless there will be exceptions on both sides; but there is good reason to suppose that the manufactures of the different provinces will not materially interfere with each other. Canada will doubtless find an outlet in the Lower Provinces for many manufactured articles, which they have hitherto imported from the United States, in precisely the same way as Canadian flour has taken the place in their markets of American flour, but we do not think much rivalry in the way of manufactures will be possible for the following reasons. Let us first take the case of the Maritime Provinces, and although from the somewhat greater expense of living, wages may be a little higher than in Canada, yet the difference is not by any means sufficient to pay the cost of transportation, and we may safely take it for granted that in point of business ability, and mechanical skill they are in no way inferior. If we reverse the position we shall arrive at the same result, viz., that in very low cases will there be sufficient difference to pay the cost of transportation, and the disadvantage attending competition in a distant market. As a case in point we may cite the Boot and Shoe manufacture. This branch of business has received an extraordinary development in Montreal, and it was supposed that competition with the Maritime Provinces in their own markets would not only be possible, but quite easy. The reverse of this turns out to be the fact, and travellers sent out by Canadian houses, have not only returned without orders, but report that the St. John manufacturers make an article quite equal to their own, and at a price which renders competition impracticable. We believe from personal observation that this will be found to be the case in the great majority of instances, and that the manufactures of neither one section of the country or the other will enter into competition in each other's markets. But it does not follow that there is not a favourable opening for Canadian manufacture in the markets of the Lower Provinces in the supplying of those articles which they have so long been accustomed to import from the United States, or which they do not yet produce in sufficient quantities for their own consumption. To ascertain what these are, and to adapt them exactly to the requirements of the market it is intended to supply, should be the first duty of the intelligent manufacturer, who seeks to extend his trade in this direction. Unfortunately, there are no accessible official returns which fully elucidate these points, but in order to facilitate matters, we have compiled from the Report of the Controller of Customs for the Port of St. John, N.B., a list of the leading articles imported into the Province from the United States during the year 1865, (the latest returns published) together with the duties payable on each.

Articles.	Value \$.	Rate of duty.
Agricultural implements and parts thereof, except spades, shovels, &c., &c.	8,686	17½ per cent
Boots and shoes, including rubbers	52,083	18 "
Brushes	1,137	18 "
Printed books	23,927	3 "
Blank books	1,251	16½ "
Furniture, chairs and parts of chairs	24,534	18 "
Locks and materials for do.	1,722	18 "
Earthenware	4,131	15 "
Glassware	17,015	16½ "
Hats and materials for do.	15,929	16½ "
Haberdashery, including cottons, woollens, and wearing apparel	268,574	15½ "
Hardware, including spades, shovels, &c., &c.	66,047	16½ "
Manufactures of India rubbers, other than boots and shoes	10,612	15½ "
Iron castings, as stoves, &c.	8,973	18 "
Musical instruments	9,537	15½ to 18 "
Machinery	22,014	16½ "
Oil and Varnish	13,835	15 "
Printing and sheathing paper	12,184	3 to 4 "
Paper manufactures, including stationery, but not printed books	13,774	16½ "
Alcohol	62,272	70c per gal
Tobacco	40,889	4c per lb
Trunks, valises & portmanteaus	3,829	18 per cent.

Total \$608,463
Here we have a total exceeding half a million of dollars, and if to this we add the consumption of similar articles in Nova Scotia, the total will not be far off a million and a half. It must be borne in mind too that in the above list the value of the articles was declared by the importers, and we may be quite sure that it was not overstated. There is one thing needs a word of caution. Don't overdo the market with too much of any one description of goods. The Lower

* This item is now almost entirely confined to Rubber Boots and Shoes.