

articles on important points of commercial law, and at the same time to give concise accounts of important legal decisions when affecting mercantile interests.

The *Monied Institutions* of most commercial communities have now become, when properly conducted, an important element in advancing their material welfare. This is particularly so as regards Canada, whose Banking Institutions have ever maintained a stability in marked contrast with those of most new countries, where Bank failures and occasional repudiation have done so much to injure their prosperity at home and their character abroad.

It will be our business to report from time to time the proceedings and condition of our several Banks, to defend them when undeservedly or maliciously attacked, for by such attacks the whole community suffer, and to discourage any attempt to put into circulation a less safe and reliable currency.

The other subjects which will engage our attention are, Navigation, Canals, Railroads and Insurance. These are all important auxiliaries to our trade and manufactures and will receive their due share of attention.

In treating of these various matters we will identify ourselves with no party and will advocate no sectional interest. Canada is the field of our labours, and its remotest corners will find their interests represented in this Journal.

While ourselves avoiding all polemical discussions, we will yet permit our correspondents to discuss in a proper spirit, questions of a purely commercial character, whether as regards internal improvements or international policy.

From the liberal promises of support which we have received, at the hands of the principal merchants of the few cities yet visited, we have good reason to hope that this work will be amply supported, and we pledge ourselves to spare neither time, labour, nor expense, in our endeavour to make the *Canadian Merchant's Magazine*, a valuable work of reference, an interesting Journal, and a fearless advocate of mercantile interests.

WHAT CAUSES THE SCARCITY OF MONEY IN CANADA WEST.

While the general prosperity of the country is universally admitted, we hear constant complaints of the stringency of the money market, and many enquires as to its cause, and the best means for its removal. A stringency in the money market is of frequent occurrence in all commercial countries and may arise from several causes affecting supply and demand. The principal causes are, dullness of sale, or a fall in the price of any of the principal articles of export, thus leaving the balance of trade against us, and draining our specie to make up the difference; over importations producing similar results; and a sudden increase of population and trade requiring a much larger amount of the circulating medium to carry on the increased business of the country. This will explain the reason of the well known scarcity of money in all new countries.

In Canada West we think all these causes have more or less affected the money market. Our principal articles of Exports are, Lumber and Breadstuffs. The former has been dull of sale during the last eighteen months, while within that time the price of the latter has fallen over one third as a reference to our trade tables will show. These causes alone were sufficient to tighten very materially the money market, by reducing the