

turning two furrows at a time, does great execution. One result is that there is a tendency to large farms; from 1,000 to 2,500 acres of arable land being no uncommon holdings. The rich new soils do not, for a long time, need manure; though the record of the endurance of the soil does not, apparently, go back as far as in our North West. Ploughing is often done by contract; sometimes the whole operations of the farm are, with, it is said, satisfactory results.

If New Zealand cannot compete with Canada as a wheat growing, nor perhaps as a cattle raising country, it does not follow that it cannot compete with us for emigrants. There are many Englishmen who, making a move, would like to better their own climate, and while they are timorously afraid of the bracing cold of Canada, think they can find in New Zealand the sort of temperature that would suit them best. And the delegates believe that English farmers would find the employment of their capital in New Zealand very profitable. On the basis of the prices of land, produce and labor, they believe that "the return which such a system of farming would give," would be equal to "twenty per cent. clear profit on the capital invested." For some time, New Zealand will probably be a formidable rival to Canada, in the attractions it offers to emigrants; but it is something to know that there is not much of it, "the whole country, compared with the broad and fertile prairies of Canada, being, "in the words of the delegates, "as a drop in the ocean."

### LUMBER AND TIMBER.

Notwithstanding the large arrivals of wood-laden shipping in the Thames, the Mersey, the Tyne, and the Forth, prices of timber and deals are well-maintained, in some cases improved. The demand is generally fair, and after harvest may become active. But meantime, as the *Timber Trades Journal* remarks, "the state of the London market is of the most anomalous kind; for although now and again stimulated by reports of a shortage, there is nothing in the enquiry to betray any special activity."

By the dock returns there were about 450 standards of deals and boards delivered during the corresponding week last year, although of floated timber there were about 400 loads less. At Liverpool, despite the numerous arrivals of deal-laden ships, spruce continues, we are told, not only to maintain its position firmly, but to have a tendency to advance. Prices at Bristol are firm, especially for spruce and birch deals, and prepared flooring. At Hull, business is improved and the market holding firm; im-

ports are, up to 6th inst., 12,709 loads against 11,844 loads up to same date in the previous season; 2,501 loads being from Quebec and 713 loads from the Miramichi. Glasgow does not appear to share in the activity with English ports, although quantities of wood have been pouring in (33 cargoes Canadian and American arrived in one week) and the large iron steamers building there would seem to necessitate enquiry. There had been no public sales of timber at that city during the first week of the month, and the feeling about prices is less confident there than elsewhere. Matters are looking active in the timber trade at Leith.

There are, it is true, considerable quantities of Baltic goods in London docks, the supply of Baltic deals having increased by 571,713 pieces, but they do not appear to create any apprehension as to a lowering of prices. No sales of Baltic goods had taken place up to the 7th. The stocks of yellow pine deals at London have decreased by 800 standards. The supply, however, of flooring boards, which declined during the month of July, 1879, from 3,706,074 pieces to 3,380,179 pieces—a decline of 325,895—shows this year a lessened aggregate, but the comparative stock at 1st August was 195,230 pieces more than at 1st July. The stock of Canadian square and waney board pine, as well as of St. John pine, was much less at Liverpool at the close of last month than at July, 1879; the stock of Canadian oak was less than half that of last year, and although that of New Brunswick and Nova Scotia pine and spruce deals was slightly larger (24,051 stds. against 22,253 stds.) those of the Quebec article were 31 per cent. less, being 5,218 against 7,584.

In the Tyne, business is becoming more active, and as the stocks of hardwood, sawn goods, and of yellow pine had been much reduced, a considerable enquiry was likely for American arrivals just then in. In Farnworth and Jardine's circular of 5th inst., quotations were as follows:

Birch—Of St. John, by auction, 15½ inches average of 17½d. per foot; P. E. Island, 15½ in. average, at 13½d. per foot.

Quebec deals—1st quality, £20 5s. to £21 10s. per standard, with odd sizes at from £17 to £17 10s.; 2nd, from £14 15s. to £15; 3rd, from £9 15s. to £10; 4th, £7 10s.

Spruce deals—By auction, St. John, at from £6 17s. 6d. to £7 1s. 3d. per standard, and other ports £6 10s. to £6 17s. 6d.; and by private a large sale of St. John spruce has been made at £7 per standard, and Miramichi at £7 2s. 6d. per standard.

Pine deals—St. John, mixed qualities, at £6 17s. 6d.; Dalhousie, 1st quality, at £14 5s., 2nd, £10, 3rd, £8; Buctouche, mixed qualities, at £7 5s. per standard.

Scantling, 6 inches and under, at from £6 10 to £6 15s. per standard.

Boards—£6 7s. 6d. per standard.

Palings—6 feet 3x1 inch at 65s. per mille, 4½ feet x1 inch at 65s. per mille.

Quebec Staves—Merchantable pipe at £57 10s. mille. No sales of puncheon.

There is no reason, we conclude, to suspect over-stocking of the British market so far, and the revival in many branches of trade is such as to indicate a good and remunerative season's business in lumber and timber there. This implies a great deal for our most important industry. With a good demand for our goods, added to the good harvest vouchsafed us, and the clearer commercial atmosphere now noticeable, the era of better times so long looked for may be regarded as begun.

### THE DECLINE IN THE RATE OF INTEREST.

If Canadian banks have, for some time past, experienced a falling off in the demand for loans, they are only sharing the experience of European banks. The aggregate loans of six of the great banks of Europe fell off, from the middle of the year 1873 to the close of 1879, nearly two hundred millions of dollars. The figures are:

	Middle of '73.	Close of '79.
Bank of England.....	\$185,000,000	\$175,000,000
Bank of France.....	242,000,000	198,000,000
Bank of Germany.....	167,000,000	98,000,000
Bank of Austria.....	113,000,000	67,000,000
Bank of Belgium.....	56,000,000	53,000,000
Bank of Netherlands.....	46,000,000	33,000,000
Total.....	\$869,000,000	\$613,000,000
Decrease.....		196,000,000

The other banks, which do not bear national names, and which, if smaller, are far more numerous, would naturally have a similar experience. The decline in the demand for commercial loans must have been, in the aggregate, very far beyond what these figures imply.

One result has been a disturbance of the equilibrium between the demand and the supply of loanable capital, and a consequent fall in the rate of interest. This fall affects the whole amount of loanable capital. A similar state of things exists in America; and the rate of interest has touched a point to which it never sank before. The price of United States bonds, in the words of the *New York Commercial Bulletin*, has "risen to a point at which they yield only 3½ per cent. to the purchaser." It has been contended that the rate of interest which a government pays, in any country, is the normal rate for that country; and that if individuals pay more, the reason is that individual security is less prized than that which the nation offers. If this be true, generally speaking, it is a truth subject to many exceptions. As a matter of fact, we find, in the States, the better class of railroad securities are selling at prices which bring the purchasers only a little more net return than the national securities; say from 3½ to 4½