

000 as the net earnings available for the payment of interest, dividends, &c.

Let us now see how the account stands. There are already bonuses pledged to the amount of \$425,000. The directors say that there are \$77,000 yet to come by way of bonus. But let us suppose that they get half that amount, or in round numbers, \$40,000, then we have—

Capital required for first section	\$1,050,000
Less bonuses obtained	\$425,000
“ “ expected	40,000
	<b>\$465,000</b>

Leaving to be raised ..... \$535,000 or, say \$600,000. One-half of this sum, \$300,000, it is proposed to raise by subscription, and the rest by a mortgage bearing interest at, say, eight per cent. It is clear that the owners of the \$300,000 of stock would be the proprietors of the entire undertaking, and after paying the interest on \$300,000 per annum, or \$24,000 (interest at 8 per cent), would be entitled to divide the remainder of the net earnings as a dividend among themselves. Taking the estimate of the directors, these net earnings would be \$196,000, or after paying interest, \$172,000, which would give something handsome in the way of a dividend. But supposing the cost of construction is underrated and the traffic overrated, there would still be an ample margin of profit. The work is in good hands, and is not likely to be saddled with fat contracts or burdened with expensive appointments. It will be supervised by the men who have put their money into it, and who have the deepest interest in its success. If the company's engineers can give us a road of the quality of construction and adequacy of equipment promised, and at the cost stated, the conclusion follows irresistibly that the stock of this road must prove one of the most profitable investments ever offered to the public of this country.

**PAMPHLET ON BANKING AND CURRENCY.**—Mr. Jack, Cashier of the Peoples Bank, of Halifax, has published, in pamphlet form, his very able letters to the local press on the subject of Banking and Currency. After disposing of Senator Wilcott's wild proposition to substitute a government irredeemable currency, for the bank note circulation, he shows how the present banking system has assisted the development of the Provinces, and whatever loss has been occasioned by one or two bank failures has been amply compensated for in the general benefit resulting from the operations of the banks. In Nova Scotia there never has been a bank failure. With reference to the notes issued by the government of Nova Scotia he says, "it has often been difficult to obtain specie for them, as they are not at all redeemable in specie, and holders have sometimes found trouble in paying their debts with them." On the subject of loss, he asserts "that there have been fewer losses

to the holders of bank notes in these colonies than in any other country which possesses a similar bank note circulation, or one based on government securities." His advice to the government is to let the present system alone. The pamphlet throughout is full of information, and the argument is well sustained.

**INTERCOLONIAL RAILWAY.**—There were 82 tenders for section No. 5, varying from \$361,574 or \$13,907 per mile to \$1,014,000 or \$39,000 per mile. The successful tenderer is Edward Haycock, of Ottawa, at the first named amount. For section 6 there were 85, ranging from \$241,500 or \$11,500 per mile to \$674,550 or \$27,359. The contract was awarded to Jacques Jobin, of Levis. For section 7 there were 82 tenders, from \$358,248 or \$14,927 to \$1,008,000 or \$42,000 per mile. The contract was awarded to H. J. Sutton & Co., at \$413,995 or \$17,248 per mile.

### Mining.

#### MADOC GOLD DISTRICT.

(From Our Own Correspondent.)

BELLEVILLE, April 26th, 1869.

As spring is now advancing, some of your readers are no doubt desirous of hearing what is being done, or likely to be done, in this district. Very little is being done just now, and the prospect of what is going to be done is rather gloomy at present. Of all the quartz-mills which have been put up in the Madoc region, eight in number, not one is running at this time; and it is likely that some of them will not resume working at their present location.

The Richardson Company have stopped working, chiefly on account of the inefficient manner in which their shaft, &c., was originally laid out, rendering it impossible to get out the ore from the mine without incurring a much greater cost than the produce will repay. It is not likely that work will be resumed before the Sheriff's sale comes off, when the future ownership of the property will be determined.

The Severn mill is undergoing repairs, some of the gearing, &c., being badly damaged. The mill at the Barry Mine, in Elziver, is laid in; the announcement of the settlement of disputes among the shareholders being premature, as a law-suit is pending among them. The Merchant's Union Company have not yet determined what course to adopt as to the contemplated alterations in their mill, and are consequently doing nothing either in mining or milling. Mr. Berry's operations in Addington County are also suspended, although the construction of his apparatus is said to be excellent, and its operation quite satisfactory. He has evidently been misled as to the quantity of free or amalgamable gold contained in the rock of his mineral veins. The Anglo-Saxon mill is in the same state as when last reported on. The Eldorado mill has been removed to Marmora township, and will shortly be employed in crushing ore from some of the veins discovered in that township last fall. The mill at Bannockburn, belonging to the Toronto and Whitby Mining Company, after running a few days, and having some of the shoes of the miller broken, has been stopped. The damaged parts have been sent into Belleville for repair. The Company at Mallorytown, county of Leeds, have got their machinery completed, and I expect to hear of their shortly going into operation.

The reduction works of Messrs. Jones & Robins, lot 23 in the 12th concession of Hungerford, have been idle all winter. It will be recollect-

ed that some of the "matt" from these works (which were built for operating with the Stephens flux) was sent by the proprietors to Swansea, Wales, for reduction; but the report received being unfavorable, it is uncertain whether they will resume operations or not. It turns out, as I anticipated, that their ore is too poor to be profitably reduced by smelting with this or any other flux in its native or unconcentrated state. This indeed seems to be the case with most of the ores of this region. Free gold—that is, gold in its metallic state, uncombined with sulphuretted matter—does not exist in our rocks in sufficient quantity to give returns by mill-amalgamation, except in a few localities; though both fire-assay and humid analysis prove that the sulphides of some of our veins contain gold, either pure or alloyed with silver and other metals, in paying quantities, and occasionally are very rich. These precious metals, however, are so combined with the pyrites that they cannot be taken up by quicksilver; and the proportion of the sulphides to the bulk of the rock as it comes from the mine is so small as to preclude profitable smelting or roasting; so that the only prospect of remunerative mining is by submitting the ores to the process of dry crushing and concentration, before desulphurization and final reduction.

But to attain this end (remuneration) in the highest degree, the miner must avail himself of the improvements lately introduced into these several branches of his pursuit. Crushers with revolving discs; concentrators on the principle of the one described and figured in the *American Journal of Mining* of Feb. 20th, 1869. Roasting furnaces in which the concentrated ore is desulphurized by dropping through flame, and is received into water. All these pieces of apparatus do their work cheaply, rapidly and effectually; and the ore, after being submitted to their action may be treated for the collection of the gold, &c., either by amalgamation, by smelting, or by chlorination, which last process is being introduced with great success into the mining operations of the Pacific States.

### Communications.

#### LONDON CORRESPONDENCE.

To the Editor of the Monetary Times.

LONDON, April 8, 1869.

The agitation for a reform of life assurance companies increases daily. All the leading newspapers contain articles or letters from correspondents on the subject. Both the critiques and the complaints are very bitter. In one case the ludicrous is blended with imposture. This is the company to which I referred a few weeks ago without mentioning names. Since then the Secretary has had to appear and give evidence in a court of Justice. The revelations then made took many persons aback. They are not, however, by any means startling to those whose knowledge of what goes on behind the scenes is in excess of that of the general public. This company is named the "National and Provincial Union Assurance and Loan Society." It was formed on the 23rd of last month, with a capital of £10,000, in shares of £1 each. The directors were men living in the most expensive and aristocratic quarter of the metropolis. On investigation, it was found that although these directors did live at the addresses given, yet they lived there as servants, and not as householders. Indeed, they were butlers in respectable and wealthy families. The company's articles of association are couched in high-flown terms. It is there said that the operations of the company are not to be confined to London, and that "it is intended to establish in many of the large towns of the Empire local boards of directors, who will add to the resources of the Society by developing the business of the institution, and giving confidence to a large circle of policyholders." By this means