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CANADIAN MERCHANTS' MAGAZINE

AND

COMMERCIAL REVIEW.

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OBSTACLES TO OUR SUCCESS IN MANUFACTURES.

In the last number of the *Canadian Merchants' Magazine* we endeavoured to show the importance of Manufactures in promoting the prosperity of the country, and pointed out what appeared to us the principal obstacles to their success in Canada. We stated these obstacles to be, want of adequate capital, a limited market, foreign competition, the high price of labour, and the absence of coal. We pointed out some of the evils arising from want of sufficient capital; and on this subject we shall merely remark here, that the best method of removing this obstacle is to extend the limits of our market and secure a wide and profitable field for the exercise of manufacturing enterprise and industry, which, after all, is the only thing that will bring capital into the country to be permanently beneficial.

It is true, a higher rate of interest might bring a larger amount of capital into the country; but unless that capital can be profitably employed by those who are to pay this higher interest, its introduction can only result in loss and disappointment to all concerned. On the other hand, if a profitable field is presented for the employment of capital, it will find its way into the country and yield a high rate of interest in spite of legal enactments, however much these are to be regretted.

In urging the introduction of more capital into the country, it should be borne in mind that it is not capital alone that we require, as that would be in many cases entrusted to inexperienced or unskilful hands, but *Capitalists* with large means and matured experience, who thoroughly understand their business and the value of their manufactures in the markets of the world.

In our endeavours to attract a larger emigration to our shores, we think the fact is not sufficiently dwelt upon, that capital is even more wanted than labour; that while the labourer has many difficulties to contend with, an

industrious man having even a limited amount of means can at once engage in many profitable enterprises; and in urging by every legitimate means the extension of our limited market, we must not be understood to say that a large amount of capital could not even now be profitably and permanently employed. In countries like England, where capital is abundant and labour cheap, the manufacturer is enabled to compete with the whole world; but as the cost of production increases, the number of profitable markets diminish. Protective tariffs may foster some branches of industry when these could not be established by the natural laws of trade; but while the action of neighbouring countries may force such a tariff upon ourselves, we confess our preference for a free-trade policy, as the surest and safest basis upon which to build up our manufactures, leaving every country to follow those pursuits for which their natural advantages best fit them. We do not allude to that spurious one-sided "free trade" which would open our ports to nations who shut theirs against us, making our trade what a correspondent in our last number very graphically describes as the "mere foot-ball of the foreign trade," but to that more complete system of reciprocal free-trade which we hope soon to see established, if not over the world, at least over the entire North-American Continent.

In Canada the high price of labour enables us to compete successfully with the importer only in articles of which the cost of transportation bears a large proportion to the cost of production. Thus, while a yard of silk worth five shillings can be brought from England for a penny, a common chair worth the same money will scarcely pay the cost of transportation. Canadian manufactures must, for obvious reasons, mainly consist of the latter description.

The proximity of Canada to the United States, however, enables the manufacturers of that country to compete successfully with our own even in articles of this description. We are thus placed in a position of manifest disadvantage. Shut out from distant markets by the nature of our manufactures and the cost of their production, we are excluded by a protective tariff from the only market in which we could compete: we mean that of the United States. We are thus obliged to struggle against competition, with Great Britain in one description of goods, and with the United States in another; while those countries, the one through its position, the other through its tariff, are protected from competition with the Canadian manufacturer. Circumscribed to the narrow limits of our own Province, and exposed to the competition of older and wealthier nations, our manufactures must either struggle through a sickly existence, or speedily obtain a more equitable footing among commercial nations. Against the advantages which wealth and population confer upon England, we can expect no remedy till the same causes confer similar advantages upon us; but the prohibitory tariff of the United States is matter of just complaint while we admit their manufactures on the best terms a regard to our revenue will allow.

There are, in our opinion, only two ways by which this can be remedied: one is to adopt a similar tariff to that of our neighbours, and secure at least our home market for our own trade. But this, with our scanty population and limited wealth, would not afford sufficient room for the disposal of our manufactures, and would not give full scope to that system of division of labour, and improved machinery, which tend so much to lessen the cost of

production. The other, and what appears to us the true remedy, is *free trade in manufactures with the United States*; or, if that is impracticable, a reciprocal tariff. The vast western territory of the United States is rapidly filling up with an immense and enterprising population, requiring many articles of manufacture which Canada could furnish on terms as favourable as the Eastern States, from which they are now supplied; furnishing a vast amount of business to their railroads and canals, while our forwarders complain that *one* railway alone has proved most disastrous to their interests, and almost annihilated their property.

Let us suppose for a moment that Montreal manufactures were to find a market west of Chicago, say to the extent of one million pounds per annum, what an impetus it would give to every branch of business! Locomotives for the western railroads, thrashing-mills for the western prairies, Perry's engines to extinguish their fires, leather and rubber manufactures, and many other kinds of goods would freight our shipping to its utmost capacity, and contribute much to the success of that great railway in which every Canadian is now deeply interested.

But how is this to be effected? Clearly the Americans, who have the advantage, will not move in the matter; let us, then, seek admission into their markets on the same terms as they are admitted to ours, and be prepared to take the necessary steps to gain this object, by adopting, if necessary, a tariff similar to their own. The United States would not easily relinquish the trade of Canada, which last year reached over twenty millions of dollars, much of which would undoubtedly be lost by the introduction of a high protective tariff; and would prove much more injurious to their interests than the admission of Canadian manufactures at a reduced rate of duty. We yield to none in our respect for the great enterprise, ability, and high-mindedness of American merchants and statesmen, and we rejoice at the increasing intercourse between the two countries; but the best interests of the country should not be sacrificed to any feelings of this kind, nor does the United States expect that they should be.

It may be necessary for that country to protect its manufactures from the ruinous competition which countries like England might bring against them, but there is nothing of that kind to fear from Canada, where labour and living are equally high; nay, we believe that any stimulus given to Canadian industry would only make us better customers to the United States under a properly adjusted tariff.

We have thus glanced at the two principal obstacles to our success in manufactures, namely—our limited market, and foreign competition. We might dwell more at length upon the effects of the latter,—draining our coffers and retarding our prosperity. But we trust enough has been said to call particular attention to this important subject, and induce our legislators to study thoroughly, and with a single eye to the public good, the effects of the present anomalous system, with a view to provide an efficient remedy.

The other obstacles alluded to by us—we mean the high price of labour and the absence of coal—are such as cannot be remedied by direct legislation. Labour must remain high while living is high, and living will be high till every branch of our industry is more fully developed, and capital and labour more abundant.

The absence of coal is an obstacle which cannot be completely remedied,

but increased facilities of transport will do much to supply the want: and we notice with pleasure that one iron company has secured 20,000 acres of land for a fuel reserve.

The rapid increase of population has created a demand for houses and for many of the necessaries of life which this country is unable to supply: and Hamilton, Toronto, and other Canadian cities have lately become large importers of butter, cheese, and vegetables, from the United States. The high price of wheat has doubtless given an undue preference to its cultivation, as farmers who once brought to market large quantities of butter, cheese, eggs, and vegetables, now raise little else but wheat; and at the present time there is an excellent opening for a large number of market-gardeners in the neighbourhood of most Canadian cities.

It is not our province to discuss with the farmers the propriety of such a course; but they may be reminded of two things,—that continued cropping will most certainly deteriorate the soil, while they will have nothing to fall back upon in case of a failure in the crop. In 1771 there were 471,000 bushels of wheat exported from Canada, of which it was computed two-thirds were made in the Sorel District. Forty bushels to the acre were raised in the Richelieu Valley, where they can now scarcely raise sufficient to supply their own wants.

While there are many obstacles to be removed to obtain the full development of our manufactures, there is even now an encouraging field for the profitable employment of capital and skill; and to this subject we shall endeavour to direct attention in the next number of this Journal.

INFLUENCE OF RECENT GOLD-DISCOVERIES ON PRICES.

BY E. A. MEREDITH, LL. B., ASSISTANT PROVINCIAL SECRETARY.

Read before the Canadian Institute of Toronto.

The general rise in the price of commodities in the old as well as the new world, within the last four or five years, is one of the most striking and important economic phenomena of the present century.

June, 1848—the date of the first discovery of gold on the Sacramento River in California—may be taken as the commencement of the era of high prices. California and Australia, when they became the centres of cheap gold for the world, became of necessity, at the same time, the centres of high prices. From these centres the tide of gold has flowed over the civilized world in all directions, and wherever it has flowed it has raised in a greater or less degree the level of prices.

Looking to the statistics of prices for the sixty years preceding 1848, we find that the former half of that period is marked by a high, and the latter half, say from 1819 to 1848, by a low level of prices. The causes, however, which kept up a high range of prices during the thirty years preceding 1819, will, I think, be found to differ in some essential features, from those which, since 1848, have operated to produce a similar result.

In the former period, the high prices (as Tooke has conclusively proved in his elaborate work on the History of Prices,) were due to the combined effects of the great war in which Europe was then involved, and of a series

of unfavourable seasons Whereas the general advance of prices since 1848, although no doubt in some degree intensified by the recent war and by other causes, is, as I hope to shew, mainly due to the unparalleled influx of the precious metals from California and Australia into Europe and the rest of the civilized world, and to other causes more or less intimately connected with and growing out of the gold discoveries in those countries. That these discoveries are destined to bring about not only great economic and commercial changes, but also materially to affect the social, political, and moral condition of the world, cannot, I think, be questioned. As to the general bearing of these various changes on the well-being and happiness of mankind, thinking men indeed entertain widely different views: while many see in the consequences of the gold discoveries nothing but unmixed good; a few, including among their number the ingenious and acute De Quincey, look more than doubtfully to the future, and seem disposed to believe that it had been better for the world if the gold nuggets had remained for ever buried in the bowels of the earth.

Into the large and tempting field of enquiry which the discussion of the probable moral and social results of the modern gold-discoveries would carry us, it is not my design to enter. I shall confine myself exclusively to the economic bearings of the discoveries; and consider only the effect of those discoveries on the prices of commodities. This indeed is only one (doubtless the most important) of the many interesting phases which the subject presents, considered in an economic point of view.

Strange as it may appear, this subject, although practical and important, has not hitherto received any considerable share of public attention, or been discussed on general principles and with reference to the admitted truths of Political Economy.*

To connect the gold discoveries and high prices together as cause and effect, and to indicate the process by which the rise in prices has been brought about, as well as the probable permanency of their present level, are the principal objects of the present paper.

It can hardly, I conceive, be necessary to adduce elaborate statistics to establish the fact assumed as the ground work of my remarks—that the general level of prices on this continent and in Great Britain as well as in California and Australia has within the last six or eight years been considerably raised.

The extraordinary advancement of the prices of the necessaries of life, and of the wages of labour, in the two countries last mentioned, immediately after the first discovery of their mineral treasures, is yet fresh in the recollection of us all. The influence of the golden tide, which then began to set in from those remote lands to Great Britain and the States, soon also made itself apparent in the latter countries.

To what causes, then, is this phenomenon due? I answer—firstly, and chiefly, to the gold discoveries; secondly, and in lesser degree, to the war, and other local and temporary causes.

It is with the former of these cases only that we have now to do. Before entering, however, on a discussion as to the degree of influence or mode of

* Sterling's work on "Gold Discoveries," to which frequent reference is made in subsequent parts of this paper, is certainly an exception to this remark. I may add that I had not seen this work until a large portion of this article had been written.

operation of the gold discoveries in effecting the results which I assign to them, it may not be out of place to make some brief remarks in reference to the general fundamental laws regulating prices.

The relative value of commodities are commonly estimated by referring them to the common measure or standard of value—money; in other words, by their relative prices—the price of every commodity being its value in money. The relative prices of different commodities at any given time are of course an accurate index of their relative value at that time. And if our standard of value were (like our standards of weights and measures) invariable, the relative prices of the same commodity, at different times, would also indicate accurately its relative value at those times. The fall or rise in the price of any article would shew precisely the fall or rise in its value. But our standard of value is not thus invariable, nor indeed can it be, inasmuch as the precious metals, which form the standard, are themselves liable (though not to the same extent as other commodities) to fluctuate in value.

It is obvious then that a change of the price of any article may arise from two distinct classes of causes, either those affecting the intrinsic value of the article itself, or those affecting the value of the money with which it is compared.

Now the values of all commodities (gold and silver included) are determined ultimately and permanently by their cost of production, temporarily and proximately by the relation existing between their demand and supply. The value of any article, considered as determined by the relation existing between the demand and supply, is styled its “market value;” while its value, considered as regulated by its cost of production, is termed its “natural value.” The market value of most commodities is constantly changing, now rising above and now sinking below its natural value—which latter is happily described by Adam Smith as that “centre of repose and continuance” which the former is ever struggling to attain. The extent and frequency of these fluctuations of the market value of a commodity must depend on the degree and manner in which the relation of its supply and demand is liable to disturbing influences.

In this respect the precious metals differ from almost all other commodities. While most other commodities are exposed to sudden and very great variations in value, the changes in the value of the precious metals have generally been very slow and gradual.* And it is this quality which eminently qualifies them to act as a general standard of value. So accustomed, indeed, are we to witness continued fluctuations in the market values of most commodities, arising wholly from accidental causes affecting their demand and supply, and so seldom do we witness any change in the value of gold or silver, that when in reality the value of gold and silver is changed, and the price of all other commodities thereby affected, we are slow to admit the fact, and persuade ourselves that the change in prices is due to any cause save the real one. And yet a little reflection will serve to convince us that, when the rise or fall of prices is general and affects all commodities to the same extent or nearly so, the natural inference is that such a change must be due to an alteration in the value of money, and to nothing else.

* The comparative uniformity and steadiness in the value of the precious metals arises from this, that the existing supply of the metals is so great and the demand for them so universal, that the relation between the demand and the supply is not liable to be materially affected by any accidental disturbances of either.

To resume the argument. It is plain that the rise in the general level of prices of commodities must result either from a general increase in the cost of production of commodities, or a reduction in the cost of production of the precious metals; or, again, from some cause or causes increasing the demand for commodities generally, or diminishing the demand for the precious metals. Of these four supposable causes by which (in theory at least) the phenomenon under consideration might possibly be occasioned, it will, I think, be shewn in the sequel that the efficient causes really are—

1st. A reduction in the cost of the production of the precious metals consequent on the recent gold discoveries.

2nd. A diminution in the supply, and simultaneous increase in the demand for many of the most important staples of commerce—the result partly and indirectly of the gold discoveries, and partly and more directly of the war and other causes.

Let us turn now to California and Australia, and briefly examine the leading economic phenomena which have developed themselves in those countries since the commencement of the gold discoveries: a review of these facts will I think enable us to understand the manner in which the depreciation of the metals has taken place there, the measure and extent of that depreciation, and the steps by which similar effects are now being extended in ever widening circles over the whole of the commercial world. The events which followed the first announcement of gold on the banks of the Sacramento are too striking and too recent to be forgotten. From every quarter of the globe, including the Celestial Empire, flocked thither crowds of adventurers. Thousands of excited gold-seekers perished miserably before reaching the looked for El Dorado, but their places were soon filled by others, and wave after wave of this living tide of motley pilgrims broke in succession upon the shores of California. In a few months the population rose from a few hundreds to many thousands. In less than two years and a half it had reached 200,000; and now it is supposed to number nearly half a million. Meanwhile the prices of all the necessaries of life and the money-wages of labour had reached an almost fabulous height; and notwithstanding the efforts made by the States and other countries to meet the sudden and extraordinary demand for goods in this new market, prices maintained an unexampled level. What occurred in 1848 in California, was repeated in 1851 in Australia—the phenomena in both places being essentially the same. I have selected Australia for more particular examination in reference to the present enquiry, inasmuch as all the details regarding Australia are fully given in official documents—which is not the case as respects California.

The Sydney papers of the summer of 1851 brought to England the first intelligence of a new gold region in the Eastern world, and of the delirious excitement with which the discovery was received in the Colony.

The then Lieut. Governor of Victoria, Mr. Latrobe, in a despatch of December of that year, represents the whole structure of society as being disorganized by the effect of the discoveries, and concludes by remarking:—“It really becomes a question how the more sober operations of society, and even the functions of Government, may be carried on.”

The immediate effects of the discovery on the money wages of labour and on the prices of provisions, points which more immediately concern us in the present enquiry, are also given by the Lieut. Governor in a paper referred

to in a despatch of January, 1852. In this paper it is stated "that the wages of shearers rose from 12s. in 1850 to 20s. in 1851; of reapers from 10s. to 20s. and 25s. per acre; of common labourers, from 5s. to 15s. and 20s. per day; of coopers, from 5s. to 10s.; and of shipwrights, from 6s. to 10s.; and of all others at the same rates.

From December, 1850, to December, 1851, it is added that the prices of provisions had risen as follows: Bread, 4 lb. loaf, from 5d. to 1s. 4d. and 1s. 8d.; butter from 1s. 2d. to 2s. or 2s. 6d. Fresh meat doubled in price, and vegetables were raised from 50 to 100 per cent.

Mr. Sterling, from whose admirable work on the gold discoveries I have copied the foregoing extracts, in commenting on them, in 1852, observes:—"The phenomena, in as far as they have yet developed themselves, have occurred exactly in the order that might have been expected. First of all, we have had a rise in the money prices of colonial labour, next in the prices of provisions and the other direct products of that labour, and lastly and after a greater interval, we may expect to witness an elevation of the money value of commodities imported into the Colony, with a corresponding rise of prices in England and the other countries whence those imported commodities are derived."

What Mr. Sterling confidently looked forward to in 1852 has now actually taken place in England, the States, and Canada.

From the figures furnished in Mr. Latrobe's despatches, it appears that the money wages of labour rose more than 100 per cent., and that the rise in the price of provisions was equally great. In other words, the purchasing power, or the value of gold, as compared with the things enumerated in that list, suddenly fell on the average about 50 per cent. The cause and the measure of this fall in the value of gold was the reduction of its cost of production in the Colony. The average quantity of gold which a labourer could earn at the diggings became in an incredibly short time the measure of the value of a day's labour, and that quantity of gold would, therefore, only exchange for the produce of a day's labour applied in any other way—an allowance, of course, being made for the severity and uncertainty of the gold-digger's toil.

The average sum gained at the gold fields was estimated, at the period referred to in Mr. Latrobe's despatches at £1 per day, and, consequently this sum appears to have been but little above the average amount paid to a common day-labourer. It is, indeed, worthy of remark that the wages of common labourers ranged, at least for some time, higher than those of skilled labourers. This probably arose from the fact that at the diggings all labourers, whether skilled or unskilled, were put nearly upon an equal footing. The mechanic or tradesman could not use the pick, the cradle, or rinsing box, better, probably not as well as the hardy labourer accustomed to toil in the fields. The natural consequence would be that the gold digging would prove especially attractive to the unskilled labourer, and consequently that very little labour of that kind would be left disposable in the Colony for other necessary purposes. Hence the extraordinary rise in the money wages of common labourers as distinguished from artisans or mechanics.

We have thus shewn that the immediate effect of the gold discoveries in Australia, (and the same is true of California,) was a fall in the value of gold

in the Colony, as compared with labour and provisions, a fall in value proportioned to and measured by the *reduction of its cost of production*.

When we pass from the gold raising to the gold importing countries, and attempt to trace the operation of those discoveries in the latter, the results are not, perhaps, quite so obvious.

The reduction in the cost of production of gold in Australia and California does not immediately and necessarily affect the value of labour and its products in other countries, because the labour of those countries cannot be at once applied to the production of gold on the same terms as the labour in the neighbourhood of the mines. Ultimately, indeed, the value of gold everywhere must be regulated by its cost of production in Australia and California, assuming always, that the latter countries can continue to supply an unlimited quantity of the metal at a lower rate than the mines previously in use.

Those foreign countries whose commercial relations with the new gold-raising countries are the most intimate and extensive, will be the first to feel the effects of the increase of the precious metals.

The immediate and direct effects of the discoveries, will, in those countries, it seems to me, be—

To diminish the supply, and consequently raise the value of labour (and therefore of all its products), by withdrawing from those countries to the gold fields a large portion of its available stock of productive labour.

To increase the demand for and consequently “*pro tanto*” raise the prices of all commodities exported thence to the gold regions.

To lower the value of the precious metals by suddenly increasing the quantity of the currency and consequently the proportion which it bears to the commodities in circulation.

All countries which have contributed a quota of their citizens to swell the number of settlers in the gold regions (and what country has not?) or which supply them with any portion of their goods, must in greater or less degree, feel the effects of each and all of these processes, all of which are silently but constantly at work, and have already, I feel satisfied, extended much farther and operated much more powerfully than is generally imagined.

England and the United States were, as might have been anticipated, the countries most speedily and directly affected—England from her connection with Australia, the States from her connection with California—and through England and the States the effects were necessarily propagated by a species of commercial *conduction* to this country and to others.

We have thus indicated some of the processes by which the influence of the gold discoveries extended itself to foreign countries.

As to the existence of these processes, or as to their tendencies there is no room for doubt. It is, however, absolutely impossible to measure their precise share either individually or collectively in the general result. The forces which come under consideration in the domain of practical economy (unlike those with which the mechanical philosopher has to deal) refuse to submit to rigid measurement, and we must content ourselves with seeing the general result towards which they severally contribute, without hoping to ascertain how much of the effect is due to each force separately.

Within a very few years California has withdrawn from the producing classes of the States probably more than 50,000 able-bodied men. Australia in the same way has absorbed in a few years a large portion of the productive

labour of Great Britain. The entire emigration from Great Britain to Australia, since the discovery of gold there, is probably little short of a quarter of a million of souls.

In both cases the sudden subtraction from the labour market of the parent states of so considerable a portion of the whole stock must have had a direct and obvious tendency to raise the value of labour, and consequently of all the products of labour in those countries. But more than this, the labourers thus transplanted to the gold countries change their economic character: from being, for the most part, producers of commodities in and for the home market, they suddenly become consumers, and generally extravagant consumers, of those very commodities. They enter the home markets, in fact, as formidable competitors with the consumers they have left behind.

The truth of the last remark is forcibly illustrated by Australian statistics: from official statements of the imports to Sydney, we find that the average amount of the imports for the ten years preceding the gold discoveries was little more than £1,000,000 sterling, while in 1853 and 1854 the annual imports to that port averaged fully £6,000,000.

The prices of labour and of commodities in Great Britain and the States must, therefore, have been raised in virtue of both the causes which I have pointed out; for whilst the supply of labour and commodities in those countries was reduced, the demand for labour and commodities was actually increased.

We now come to consider the third, and, doubtless, the most influential as well as the most obvious of the assigned causes of the fall of the value of gold in the gold-importing countries. I mean the sudden and extraordinary augmentation in the mass of the precious metal as compared with the mass of commodities in those countries. No one can doubt that if the mass of the precious metal in the world became suddenly doubled or trebled, the prices of all commodities would at once be doubled or trebled as the case might be. Such sudden changes in the mass of the precious metals are of course impossible: changes in the amount of the metallic currency when they do occur, are generally, as has already been observed, the gradual result of years; and when this is the case the ultimate effect of the increase of the precious metals on prices may be materially modified by the change which has taken place simultaneously in the value of the aggregate of commodities.

Prices (so far as they are affected by the cause under consideration) would rise or fall according to the relative increase in the mass of metal and commodities. If the mass of the precious metals had outstripped in its growth the mass of commodities, prices would be raised. If, on the other hand, commodities had increased more rapidly than the metals, the prices of commodities would be lowered.

There can be little doubt, I imagine, that since the gold discoveries in California and Australia, gold has been increasing much more rapidly than commodities, and consequently (in obedience to the law just stated), the prices of commodities must, as a matter of course, have been raised during that period.

At the beginning of the present century, the annual value of the precious metals raised from all the mines of the world was, according to the calculation of Humboldt, somewhat under £10,000,000 sterling. From 1800 to 1810, (owing to the increasing yield during that period of the American

mines,) the total annual produce steadily increased until, in the latter year, it was rather over than under £11,000,000. From 1810 to 1830 the total produce of the precious metals would seem to have fallen off somewhat, but from the latter date up to the time of the discovery of the gold in California (owing mainly to the increased yield of the Russian mines and washings) it again advanced, and at the epoch of the gold discoveries on the Sacramento was about £12,000,000 sterling per annum. In 1850, the second year after the discovery of gold in California, the total produce of the precious metals was, as computed by McCulloch, £27,600,000; in 1851, Australia began to add her treasures to the mass, and in 1853 the combined yield from the new and the old mines was estimated at the enormous sum of £47,000,000. I believe we should be safe in assuming the total produce of the year which has just closed at upwards of £50,000,000 sterling.*

In order to estimate, even in a rude way, the probable effects of this unprecedented and sudden influx of the precious metals, we should know the whole amount of bullion previously used as currency, and the portion of the annual yield required to supply the wear and tear of coin and bullion, due allowance being made under this latter head for the additional amount of bullion which the reduction of its value would cause to be used in various branches of manufactures and the arts. The surplus portion of the annual yield, which would be forced, as it were, upon the currency of the world, over and above its legitimate wants, would afford an exponent or measure of the depreciation of the whole mass, so far, at least, as that depreciation may not have been counterbalanced by the operation of other causes.

The value of the metallic currency of the world at the epoch of the gold discoveries has been very variously estimated. McCulloch (after a careful comparison of the calculations of Jacob, Humboldt, and others,) puts it down at £380,000,000.

The same author estimates the wear and tear and loss of the precious metal at 1½ per cent. of the whole mass, or about £5,700,000 per annum.

The probable annual addition to the currency, required by the rapidly increasing population in the gold countries and elsewhere, he calculates at 3 per cent. of the whole, or upwards of £11,400,000 per annum.

Again, the annual consumption of the precious metals in the arts he estimates at £11,200,000.

Wear and tear and loss of Coin	£ 5,700,000
Increase of Currency	11,400,000
Used in the Arts	11,200,000

£28,300,000

In reference to the last item, McCulloch remarks: "this quantity, however great it may appear, will be increased with the increase of population and the spread of refinement and the arts; and it will, also, be certainly increased by anything like a considerable fall in the value of bullion." Indeed, I believe, there can be little doubt that already the decline in the value of

* The produce of California has been estimated officially at \$60,000,000, or upwards of £12,000,000 sterling. The quantity exported from Melbourne alone during the year must have been at least £12,000,000 sterling. From Sydney, up to the 10th December, it was close on £10,000,000. Taking into consideration the quantity retained in the country, and the quantity sent home by private persons and of which no account was taken, we think the total yield of Australia during the past year cannot have fallen short of £20,000,000. The Australian newspapers received since the above note was penned confirm my conjecture as to the last year's yield of gold in that Colony.

gold bullion has caused it to be employed in various new branches of manufactures and the arts, and the tendency of this increased demand for gold will be, of course, "pro tanto" to check the decline in its value.

From a careful examination of all the authorities to which I have had access on the matter, I have arrived at the conclusion that the whole amount of gold raised since 1848 to the beginning of the present year is not much under 300 millions, and that the whole amount coined during the same period may be estimated at upwards of 180 millions.

Had the whole of this enormous amount of coin been suddenly thrown upon the currency of the world, the effect would have been (assuming, as before, the whole mass of the currency of the world to be £380,000,000,) an average decline in the value of gold throughout the world of nearly 50 per cent.

But as in reality the rate of influx of the new gold is very different in different countries, and as the effect of this cause in any particular country is directly proportioned to its rate of influx into that country, as compared, of course, with the amount already in existence there, the decline in the value of gold in some countries would have been above and in others below this average.

The addition to the coin has, however, not been instantaneous: it has been spread over a period of eight years, and during that time (owing to the extraordinary impulse given to commerce from the gold discoveries themselves, from free trade, and other causes) the production of commodities has been going forward with a constantly increasing energy, so that the whole mass of commodities in the world in 1856 far exceeds in value the mass of commodities in 1848; and therefore the depreciation of the metals or the rise in the prices of the commodities is not so great as—looking merely to the unparalleled augmentation of the metallic medium of exchange—one might have been led to anticipate. It is hardly necessary to state that it is not in my power to verify from authentic returns the calculation I have made as to the probable amount of bullion coined since 1848. The following table, however, giving the gold coinage of Great Britain, France, and the States, from the period in question, has been compiled carefully from reliable sources, and will serve, I think, to shew that I have not over-estimated the whole amount of the coinage of the world, since 1848:—

	GREAT BRITAIN.	FRANCE.	UNITED STATES.	TOTAL.
	£	£	£	£
1848.....	2,451,999	1,234,472	786,565	4,473,036
1849.....	2,177,000	1,084,382	1,875,158	5,136,540
1850.....	1,491,000	3,407,691	6,662,854	11,561,545
1851.....	4,400,411	10,077,252	12,919,695	27,397,358
1852.....	8,742,270	13,023,160	11,641,000	58,230,521
1853.....	11,952,391		12,871,700	
1854.....	4,152,183	16,594,000	12,171,110	32,917,293
1855.....	9,008,863	17,200,000	11,262,500	37,471,163
Total.....	£44,375,915	62,620,957	70,190,582	177,187,456

The preceding table shews that the gold discoveries did not produce any very marked effect on the gold coinage of the countries enumerated until 1851, when a sudden and unprecedented augmentation took place in the coinage of each of those countries. The average annual coinage of the three countries taken together for the last four years, exceeds, as appears from the foregoing table, thirty-two millions sterling, an amount which appears almost incredible when compared with their average annual coinage before 1848.*

It seems, indeed, not unlikely that the mint recently opened at Sydney will coin this year as much as the total annual coinage of England, France, and the States together, before 1848: for we find from recent Australian papers that the weekly coinage at the Sydney Mint in November last was 45,000 sovereigns, or at the rate of £2,340,000 per annum; and we learn further that the increasing pressure of business was such as to render an increase in the engineering staff of the establishment necessary.

A late ingenious writer† on this subject has, it appears to me, needlessly complicated the question as to the effect of the recent increase of gold on prices, by a minute consideration of the processes by which the new gold gets into the currency of a country. That it does so is tolerably plain; nor indeed does there seem to me to be any great mystery as to the processes by which the result is brought about. A recent American writer on this matter truly says that—"Currency, like water, seeks a level; and the gold of California thus becomes mingled with the metallic currency of the world. If prices rise here, because our gold is falling below its value in Europe, some of it will be taken away to Europe till prices will cease to rise with us." It may, however, be argued that although the gold portion of the currency of a nation or of the world may be shewn to have been considerably increased, yet it by no means follows that the general mass of the currency (bank notes and every other kind of paper money being included in the term,) of that nation or of the world at large has been augmented in the same ratio. It is found, however, in practice that the proportion that the metallic part of the currency bears to the paper is in a given country nearly constant; so that, in truth, any increase of the precious metals brings with it a corresponding increase in the whole mass of the currency of the country.‡

It is asserted, however, by some, that the influx of the precious metals from the recently opened gold fields, whatever effects on prices they may be destined ultimately to produce, could not possibly in so short a time have made any sensible alteration in the general level of prices. This impression, one very commonly received, seems to be the result of an erroneous view of the consequences which flowed from the discovery of the silver mines of Mexico towards the close of the fifteenth century. It is taken for granted that there is a strict analogy between that case and the present, and that the effects then produced may, therefore, be expected to be repeated now in

* According to Mr. Birkmyre, (during at least the first 30 years of the present century,) the average annual united coinage of the three countries was only £3,066,000, or about one-eleventh of their present annual coinage.

† John Lalor.

‡ In Ireland we find that the circulation of Bank notes in 1849 was only £3,511,445, while in 1854 it had reached £6,846,000. From the August number of "Hunt's Merchants' Magazine," which came into my hands while these sheets were in press, I find that in 1849 the entire currency of the Union was \$325,922,038, and in 1856 \$665,122,393, an increase of more than 100 per cent.—See page 167.

precisely the same way and at the same time. A brief review, however, of the facts connected with the influx into Europe of the silver of Mexico during the sixteenth and seventeenth centuries, will show that the supposed analogy fails in the only important point. The silver mines of Mexico had been at work for many years before the discovery of the rich mines of Potosi in 1545, and yet it was not until 1574 that the general level of prices was sensibly raised in Europe. From 1574 prices steadily advanced until about 1650, when they reached their maximum, at least for a time, and remained stationary, or nearly so, for a century, at the end of which time, or about 1750, another marked advance in prices took place. The argument deduced from these facts, by those who assert that the recent discoveries of gold cannot yet have produced a sensible alteration in prices, is this,—that if the extraordinary increase of silver which followed the discovery and working of the Mexican mines required a period of more than fifty years to produce a sensible effect on European prices generally, we may from analogy expect that as long a time, or nearly as long a time, must elapse from the opening of the California and Australia mines before any material effect on prices, from that cause, can be expected.

Mr. Sterling has examined very fully and exposed, I think very ably, the fallacy of this reasoning. The analogy between the cases is only apparent. The value of silver was lowered in 1574 and 1750, and at those epochs *only*, at least to any considerable extent, because at those two epochs, and at those only, the cost of production of silver was sensibly diminished. In 1574 a reduction in the cost of production of silver was effected by the introduction of the principal of amalgamation in place of that of smelting the silver ore, and by the facilities afforded for the adoption of the new method (in which quicksilver is largely employed) through the discovery of the quicksilver mines of Huancavaleca. Again, in 1750, a still further reduction of the cost of production of silver was caused by the comparative cheapness and abundance of mercury from and after that date.

At both the epochs in question, therefore, the *reduction of the cost of production* of the metal was followed by an *immediate* and a permanent elevation of prices. And so it must be with gold. The law in both cases is the same: a reduction of the cost of production of either must necessarily occasion (provided of course an indefinite supply can be obtained at that cost) a permanent fall in its value as compared with other commodities. But from the different conditions under which the two metals are produced, the *time* required for the development of the phenomena is materially altered. Silver requires for its production the application of extensive capital and skill, and the employment of complicated mechanical and chemical processes.

Gold, on the contrary, requires neither capital nor skill, but is, as it were, the immediate and direct result of manual labour. In the case of silver, its cost of production will be reduced by any improvement in the mechanical or chemical processes employed, or by any cheapening of the materials made use of in its manufacture. In the case of gold, there is no room for the operation of these causes. The cost of production, if lowered at all, must be lowered simply because the unskilled labour employed in the gold diggings (the very term implies the rudeness of the operation) is comparatively more productive than the labour previously applied to the same object. The re-

duction must, therefore, be, at least in the country where it is produced, instantaneous ; and so it has been both in California and Australia. " We must not, therefore," says Mr. Sterling, " rashly conclude that because the increase of silver from the Mexican mines did not materially affect general prices in Europe for more than half a century, the same, or any thing like the same time must elapse before (the present increase of) gold will create a great permanent and universal elevation of prices in all the markets of the world."

As this paper has already extended considerably beyond the limits within which I had hoped to compress it, I shall now briefly recapitulate some of the conclusions which appear to me to be plainly deducible from the foregoing facts and arguments.

That the immediate effect of the gold discoveries in California and Australia was a very great reduction of the cost of production of gold in those countries respectively.

That the value of gold, as compared with labour and the products of labour in those countries, immediately fell, and that the fall in its value was due to and measured by the reduction in its cost of production.

That the surplus gold of California and Australia, being carried by the thousand channels of commerce to other countries, has already produced in the latter a decline in its value proportioned pretty nearly to the extent of their commercial dealings with the new gold-producing countries.

That in the gold importing countries the fall in the value of gold is still going on, and that it is not likely to reach its ultimate limit for some years to come.

That assuming, as I believe we may safely do,* that the new gold regions are capable of supplying an indefinite quantity of gold, the value of gold will not sink universally to its permanent or natural value, until the whole of the annual yield is merely sufficient to meet the demands of commerce.

That when that time shall arrive the value of gold in any country will be determined solely by the cost of obtaining it in that country, and nothing else.

In the preceding remarks I have not discussed the influence of the late war, (for we may happily now speak of it as past), or of many other circumstances which are admitted by all to have exercised a very considerable effect in raising the prices of many commodities both in Canada and elsewhere during the last two or three years.

As regards particular localities or particular classes of commodities the influence of these causes may no doubt have been considerable. Glancing, however, at those co-operating causes, I may observe, that their influence on prices, whatever its amount may be, is essentially different in its character from that of the gold discoveries, inasmuch as the effect of the former are merely temporary and local, whereas those of the latter are permanent and co-extensive with the commerce of the world.—*Canadian Journal of Industry, Science, and Arts.*

* The most recent accounts from Australia and California agree in stating that the supplies of gold in those countries are perfectly inexhaustible. There appears to be, moreover, a great probability that new auriferous regions will ere long be added to the list.

OUR NATURAL RESOURCES.—MINERALS.

BY PROFESSOR HIND.

GYPSUM.

The vast areas occupied by the rocks yielding Gypsum with brine springs in Western Canada have for many years been regarded as sources of great national wealth. Gypsum, or Sulphate of Lime, is used in the Arts for numerous purposes. Our gypsiferous and brine-yielding rocks extend from the Niagara to the Saugeen, and have a breadth varying from five to fifteen, and even twenty miles. Gypsum has been quarried in the Townships of Dumfries, Brantford, Oneida, Cayuga, and others in the valley of the Grand River. It will, probably, be found in great abundance in the valley of the Saugeen when that fertile tract of country becomes better known. "Apart from domestic consumption, the Townships of Oneida and Cayuga furnished in 1854, 7,000 tons of gypsum for exportation to the United States. These gypsums are of recent origin: they occur in the form of mounds, which penetrate the palæozoic strata, and the overlying clays of recent date. The beds of limestone which surround them are upraised, broken, and in great part absorbed. Mr. S. Hunt, of the Geological Commission, has shown, that these phenomena are due to certain springs containing free sulphuric acid which acting upon the carbonate of lime has changed it into Gypsum."

In the arts gypsum is employed by potters for procuring moulds with its calcined powder, moistened with a proper quantity of water. The finer kinds are selected for the manufacture of the alabaster ornaments so much admired. When properly calcined and ground to a fine powder it is largely employed for stucco work, statues and statuettes: when mixed with glue or gelatine, coloured stuccoes of great hardness and beauty are made from it. It is admirably adapted for taking casts of objects, and is frequently employed for that purpose. Gypsum is commonly known under the name of Plaster of Paris; vast quantities of this substance being found in the neighborhood of the French Capital; and a large quantity of the material is prepared there for home consumption and exportation. Gypsum is the basis of Keene's, Martin's, and Parian cement: the material is thrown into a saturated solution of Alum, Sulphate of Potash, or Borax: after soaking, it is air-dried, and rebaked at a low red heat. When Borax is used, the plaster is called Parian, when Sulphate of Potash is employed, it is styled Keene's cement; and when made with Pearl-ash and Alum together, and baked at a higher temperature, it is designated Martin's cement. In England the gypsum for these purposes is obtained from Nottinghamshire, Derbyshire, and Cumberland. An immense number and variety of articles, manufactured from Gypsum with small additions of the substances before mentioned, were exhibited at the London and Paris exhibitions. The subject is one of general interest, and the vast deposits of Gypsum in Canada will, no doubt, become considerable sources of national wealth, when the proper time arrives.

For Agricultural purposes, the value of Gypsum is too well known to require much notice here: a growing appreciation of its worth is shewn in the yearly increasing demand; and it is now found for sale in most Canadian towns. It is a fact ascertained by the experience of very many years in France and Germany, and more lately in America, that Gypsum judiciously

applied, sometimes doubles, and even trebles the quantity of certain plants usually grown upon an acre: a study of the mode and time of applying it, and of the plants most benefited by it ought not to be lost sight of in Canada, where it so largely abounds in the District between the Niagara river and the Indian peninsula of Lake Huron. The value of the exports from Canada of ground plaster and lime show a steady and important increase. In 1853 the total value was only £1,340 Cy.; in 1854 £2,017, and in 1855 £19,112 Cy.

BRINE SPRINGS.

In describing the great extent of the Gypsum and Brine-bearing rocks of Canada, it is possible to speak only with comparative certainty of their economic value with respect to Gypsum. Although brine springs may be common and apparently sufficiently strong to warrant the commencement of working operations, yet failure and disappointment have so often resulted from unfortunate attempts in New York, and even in Canada, that actual experience resulting from trial is the only sure indication of success. In this group of rocks brine-springs occur abundantly in the region between the valley of the Grand River and the Indian Peninsula, and in the eastern prolongation of same rocks enormous quantities of salt have been made at Salina.

The vast extent of country not hitherto thoroughly examined, but occupied by the salt-bearing rocks, leaves it extremely probable, but only extremely probable, that brine springs sufficiently strong for manufacturing purposes will be found and worked west and north-west of Hamilton. The question is one of much commercial interest, and is represented in our annual expenditure by the sum of £51,325, which we pay to the United States, and £13,977 to Great Britain, making, with other small importations of the same material, the total amount of £69,209, representing 1,687,926 bushels of salt in 1855.

MARBLES.

Statuary marble is a material employed in an art which no one can expect to find exercised to a large extent in Canada in the infancy of the country; it is evident, therefore, that the finer kinds we possess, may derive value from the creation of a demand for them as raw material, where mechanical labour is less proportionately valuable, and where cultivated taste in execution may succeed in imparting to them a value which their natural beauty serves only to heighten. The coarser kinds of marble will acquire continually-increasing value with us, as the wealth of the country increases, and facilities for carriage extend to the regions where Canadian marbles are to be found.

In the Eastern Townships there are very extensive ranges of serpentines, affording beautiful varieties of marbles, specimens of which attracted considerable attention in England, in 1851. Sir W. Logan thus notices this important and extensive range:—

“Several considerable blocks of limestone and serpentine, fit for the purposes of marble, carried across the Atlantic in the rough, were sawed and polished in London. They were all from the Eastern Townships; and, though selected hastily and without previous trial of the stone, most of them gave very fair results; and one of the serpentines from Brompton Lake, shewing a dark green ground with black spots, was of a peculiarly beautiful character. I was informed by the marble manufacturer, a highly respectable one, who cut the

stone, that large blocks of such a description would command a ready sale in the metropolis ; and when we consider the great extent to which the serpentine ranges through the Townships, 145 miles, the results of these trials give hopes that much stone of a valuable description may be obtained from that region."

Among the localities where marbles have been found and examined by the members of the Geological Commission—are for white marble—Lake Mazinaw and Philipsburg ; black, Cornwall and Philipsburg ; red, St. Lin ; brown, Packenham ; yellow, and black, Dudswell ; grey, and variegated, Macnab, Philipsburg, St. Dominique, Montreal ; green, Grenville, and along a serpentine range before mentioned, extending for 150 miles in the Eastern Townships. In the "Sketch of the Geology of Canada" these green marbles are mentioned in the following terms:—The serpentines throughout their whole extent, furnish very beautiful dark green marble, often resembling the *vert-antique* : green serpentines of various shades are mingled with white and greyish limestones, giving rise to many varieties of these marbles, the finest of which are from Broughton and Oxford. Near Philipsburg the Trenton limestones afford a fine white marble : in their southern prolongation, these limestones become crystalline, and form the white marbles of Vermont, which are now celebrated. The upper silurian limestones of Dudswell are greyish and yellowish, with veins and spots of black ; they still exhibit on their polished surfaces, the traces of fossils, and often form marbles of great beauty.

The specimens upon the table were from Madoc : a considerable abundance of coarsely crystalline marble occurs in those back townships ; and as the country becomes cleared and known, more of better quality will probably be found.

The process of turning and polishing marbles by means of a common lathe is not generally known, and may therefore be briefly noticed. A piece of marble of the size required is selected free from veins and cracks. The first operation is to chisel it roughly to a cylinder form. It is then fastened by resinous cement to the lathe and subjected to a slow revolving motion. The tool used is a bar of iron about 30 inches long and pointed : this is forcibly applied to the revolving cylinder of marble, which it gradually reduces to its required form. A coarse sandstone with plenty of water is next applied ; the cylinder of marble being made to revolve much more quickly. The tool marks disappear under this process. A finer piece of sandstone is then employed to remove the scratches of the preceding one ; and so on with still finer stones, until all scratches are quite obliterated. In polishing, a piece of cotton cloth rubbed with flour emery, is used ; and, finally, a similar piece of cloth rubbed over with tin putty gives a very high polish and completes the process.

SLATES.

Slate is a material daily becoming more valuable on account of the vast variety of useful purposes to which it is applied. One of its most important characteristics is its strength. It is computed to be about four times as strong as ordinary stone ; and slabs eight feet long and upwards can be safely used of thickness not exceeding half an inch. It is a non-absorbent of moisture, and thus adapted as an admirable lining for wells and for roofing houses. The slates which were taken to the London Exhibition from Canada were not

good representations of the material since found to exist in this country. The economical importance of slates has attracted attention to their distribution in Lower Canada, and already large quarries are worked which furnish slate of superior quality. Some of the quarries are wrought on rocks of the same geological epoch as those which underlie the clay on which Toronto is built, altered, however, by heat. The numerous applications of this entirely useful material have been alluded to at some length by Sir W. Logan, in his Geological Report:—

“Not only is it applied as a covering for houses, but it is employed as walls for cisterns to hold water, slabs of fifteen feet by eight feet being sometimes used for the purpose: in smaller dimensions it is used for wine-coolers, dairy dressers, kitchen and hall flooring, tables, chimney mantles, and a multitude of other purposes where surface is required. In its application as tables and chimney-pieces, it is capable of receiving a great degree of decoration: the tables, after being dressed to the smoothest possible surface, are embellished with gilding or with paintings in colours—resisting fire—showing landscapes or imitations of stone; and a silicious varnish being applied, the stone is subjected to a heat which melts the varnish into an enamel, and produces a brilliant result. Chimney-pieces, in the same way, are enamelled over the natural colour of the stone, or over a fancy colour given to it. When the colour is black, it is difficult to distinguish the slate from a brilliantly polished and valuable black marble; while the cost is comparatively small. The great number of purposes to which good slate is applicable, render the rock of great economic importance, and well worthy of research.”

HYDRAULIC LIMESTONES.

The term hydraulic limestone is very frequently met with in accounts of the construction of reservoirs, canals, water-tanks, cellars, and a host of other artifices of public utility and domestic comfort. Often, indeed, these fail to secure the object for which they are designed, as many of the public works in the United States testify. This arises from a misconception of the nature of an hydraulic limestone, and of the effect which time and exposure are capable of producing upon different varieties. This subject has been much studied in Europe by the ablest chemists, but not with those clear and satisfactory results which so frequently distinguish the progress of modern science. Mortars and hydraulic cements may be thus distinguished:—

1. Common limestone, such as the limestone from Kingston, or the quarries on the western extension of the Grand Trunk, is exposed to a heat sufficient to drive off the carbonic acid it contains: it then acquires the power of absorbing water in the proportion of nine pounds of water to twenty-eight pounds of lime, with the evolution of much heat. If this lime is mixed with sand to the extent of two or three times the weight of the lime, and water added, a mortar is formed which possesses the property of hardening in dry air, or between dry bricks, imperfectly hardening in damp air, and refusing altogether to become consolidated under the surface of water.

2nd. Water Limes or Hydraulic Limes, or Cement, are those which possess the property, after they have been properly burned, of hardening under water without admixture with any other substance.

The simplest form of an hydraulic lime, is common lime mixed with 10, 15,

or 20 per cent. of clay, or clay and magnesia,—or a little clay, sand, and magnesia. With such a compound, when calcination or burning is not carried too far, a good and durable cement is obtained, setting under water in periods varying from a few hours to a week or more, and at the end of some months becoming harder than many common limestones.

Many calcareous clays or argillaceous limestones exist in nature possessing these properties: these are called hydraulic limestones, because when they are partially burned they possess the property of setting under water. Many limestones which are used for hydraulic purposes, possess the very detrimental quality of containing portions of lime after they are burned, which slake at a period subsequent to their use. The mortar or cement then falls to pieces, and becomes not only useless but absolutely injurious.

Limestone, containing the proper admixture of the materials enumerated, exists in many parts of Canada:—at Paris, Cayuga, Thorold, Kingston, Loughboro', Hull, Quebec, and elsewhere. In some of these localities the beds have been worked: those of Hull are of excellent quality, and highly esteemed. This bed is characterised by the proximity of a layer filled with a particular shell, and has been traced, chiefly by means of this shell, over a large area; and it is the continuation of the same bed which furnishes the hydraulic lime of Kingston and Loughboro'.

In the United States the preparation of hydraulic cement of different qualities, is already a manufacture of considerable importance.

So far back as 1840 there were 60 kilns for the manufacture of cement, in the vicinity of Kingston, Rosendale, Lawrenceville, and High Falls, in the State of New York. In that year it was estimated that 600,000 barrels were sent to market from those kilns. It is shipped to all American Atlantic ports and the West Indies. From that period, it is almost needless to say, that the production of hydraulic cement, in the United States, has immensely increased.

Many of the Canadian beds of water-lime appear to be of excellent quality. They are generally distributed through the country, from the valley of the Grand River to the Sauguen. Trials have been made, by Mr. Hunt, on a specimen from near Brautford, which, in five minutes, set under water.

OCHRES.

Ochre, used as a paint, is of growing importance on this continent. So many of our structures are built of wood, that their preservation from the air, and a desire to give them a suitable and agreeable appearance, naturally lead to their being covered with some material possessing the required properties. Ochres of different tints are largely used for this purpose. Canada imports a very considerable quantity of ochre in a manufactured state, and yet possesses within her borders very extensive and valuable deposits of this mineral. The exhibition of ochres at Montreal, in 1850, attracted the attention of a stranger, who enquired of Sir W. Logan, where they came from? He was informed of the position, and of the means of obtaining access to them. The stranger, knowing the value of the deposit, immediately secured the property on which it was found. In 1852-53, Sir W. Logan relates the subsequent history of this ochre-bed, which affords one instance out of hundreds which have occurred in Canada, of foreigners familiar with the value of some of our natural products, and acquiring knowledge of their en-

tent and distribution, appropriating, and with perfect justice, the gain to themselves.

“A very large ochre-bed is situated on the St. Nicholas range of Pointe-du-Lac, on the property of Mr. Pierre Chaillon and his brother. It is crossed by the range road, running north-westward, over a mile from the point where it starts from the water-side road: the deposit extends on each side of the road, about ten acres to the south-west, and forty acres to the north-east: the breadth is irregular, and varies from one to twenty acres, and the whole area may be about 400 acres: the thickness of the deposit ranges from six inches to four feet, and may have an average of about eighteen inches. The prevailing colours of the ochres are red and yellow, but there occurs also in some parts a beautiful purple tinge, and in others a blackish brown. At the Industrial Exhibition which took place in Montreal, in October, 1850, some of the ochres of this locality presented to the public view by Mr. D. G. Labarre, attracted the attention of persons acquainted with the commercial value of such products, and arrangements were subsequently made with the proprietors of the land, by Messrs. A. H. Munroe & Co., of New York, for the purpose of entering upon such a preparation of the crude material as should fit it for sale. With this view a couple of furnaces have been erected in the vicinity of the ochre-bed, and an agent established to carry out the details of the manufacture, and attend to the forwarding of the article to New York, where the sale of it is effected. I was given to understand by the agent that 400 barrels of the ochre had been disposed of at five dollars each, and that as many as twelve barrels had occasionally been prepared in a day. From the few natural colours that have been mentioned, eight tints are said to be prepared. The deposit being but little mixed with sand, the chief impurity to be got rid of consists of the roots of those plants which have been growing on the surface, some of which penetrate to a considerable depth. Two modes are resorted to for this purpose: one is by dry sifting, which is used where the natural colours of the ochres are to be preserved, as in the case of the yellow variety, of the purple, and of the blackish brown. The yellow is a hydrated peroxyd of iron: the purple also is probably in some peculiar state of hydration, but the red is the anhydrous peroxyd. By exposure to a sufficient heat in the furnace, the water of combination is driven off from the yellow and purple, and, both becoming anhydrous peroxyd, assume the tint of the natural red ochre, from which, as from the other two, the vegetable matter in this operation is burnt out. The blackish brown variety is scarcer than the others, and affords colours of a more valuable description. Purified from roots without fire, it is sold under the name of raw sienna. It is admirably adapted for graining, and brings, in retail, I am informed, so much as a shilling the pound. When subjected to fire it assumes a brown of less intensity, and it is sold as burnt sienna. As it does not turn red from burning, it is probable that there may be in this ochre an admixture of manganese.”

In the St. Malo range of the Seigneurie of Cap-de-la-Madeleine a great deposit of ochre occurs. The area occupies upwards of 600 acres. It is underlaid by peat, the fuel sufficiently well adapted to prepare it for the market. This and many other localities in Lower Canada, as well as in Upper Canada, contain inexhaustible quantities of ochre, some of it of excellent quality, and of a great variety of colours.

STEATITE.

Steatite, or soap stone, composed of flint and magnesia, possesses many singular properties which are gradually introducing the material into notice and use. It is generally soft to the touch, scarcely affected by acids, and little changed by exposure to intense heat. In Maryland a Steatite or Soap-Stone Company exists, and manufactures a surprising number of articles for economical purposes. In addition to the properties before enumerated, the remarkable ease with which steatite is worked by common carpenters' tools, render it an object admirably adapted for many operations to which other materials are not applicable. A substance almost indestructible by fire and many strong acids, and so soft as to admit of being turned, bored, screwed together, and planed, is well worthy of attention.

In Canada it is found and used as a refractory stone in the townships of Vaudreuil, Beauce, Wotton, and Ireland: it exists also in Sutton, Bolton, and Melbourne: it also exists in the townships of Leeds and Stanstead, where it is ground and employed as a paint.

The brief and necessarily imperfect sketch I have now given of the most important minerals hitherto found in Canadian rocks may serve to convey a tolerable impression of what our country offers to mining enterprise and industry. We must, however, in justice to that large extent of territory which constitutes our main mineral region, bear in mind that it is, in great part, still an uncultivated and but partially explored wilderness.

It was said by one, far above his fellows in acquirements, and in the additions he had made to human knowledge, that when at the close of a long life, he contemplated the work he had done, "he seemed like a child to have been gathering pebbles on the sea shore, with the vast ocean of truth lying unexplored before him." We may, with some semblance of propriety, apply this beautiful simile to our present acquaintance with the stores of inert wealth which lie hidden in the rocks of the unsettled parts of our country. Although the information which has been given to the world by the geological commission is of the highest national value, and in amount far greater than was ever expected to be acquired in so short a period, over a country so extensive and little known, and with means so inadequate to the end, yet it is not to be understood that discoveries equal in importance to those already made may not year by year inform us of fresh treasures before unthought of. It is only the other day that a band of rocks was discovered, so admirably adapted to the milling purposes for which Burrstones are employed, that we may not only become independent of foreigners for that important article, but enabled to export them to other countries.

The discovery of hydraulic lime in some of the strata on which the city of Quebec stands tells, by means of a geological knowledge of the country, of the existence of hydraulic lime for hundreds of miles. The ascertained southern limits of the Huronian copper-bearing rocks on Lakes Huron and Superior indicate a copper-yielding country in which a search for that metal may be prosecuted over many thousand square miles with every prospect of success.

The influence, indeed, of a single discovery of an economic material in any strata acquires importance which cannot easily be estimated, when the known extent of the rock which holds it occupies wide areas. It is for this purpose

that a general study of the geological outlines of the country is so useful, and in our time even necessary. Think of the advantage to the settlers in the Ottawa region to know of the existence of crystalline lime-stones beneath their feet, over which they have been many years journeying 15 and 20 miles for the same indispensable material to the great River Ottawa itself, where it is exposed in a form to which they have been accustomed. But expand the ideas conveyed in this simple announcement to the whole region in Canada where it may apply, and we find that a knowledge of the structure of the Laurentian Rocks, which extend from Labrador to Lake Huron, and thence on towards the Mackenzie River, tells us of the existence of crystalline limestones throughout the whole of the vast country; and limestone is an indispensable necessity of civilized life. But we may amplify still further and point to the iron ores generally associated with these limestones. I have spoken in a former lecture of the vast magnetic beds, of Marmora, Madoc, Belmont and Hull: these are generally found in juxtaposition with beds of crystalline limestone. When this great fact becomes generally known among future settlers in the Laurentine Country, and they are made aware of its applicability to the extensive areas between the Ottawa and Lake Huron and elsewhere, it becomes almost a matter of certainty that the ores will be found near some of the large rivers traversing this region, and thus be made accessible and of commercial value. Consider again the lime and soda felspar rocks which throughout the Laurentine Country are associated with the crystalline limestone, and remembering the words of Sir William Logan, we shall not despair of, but rather hope well for this vast uninhabited region. The vallies underlaid by these lime and soda felspars guarantee a fertile soil and agricultural capability, wherever they are to be found; and the discovery of important ranges in the Laurentine Country establishes this capability over wide areas. It is of the highest importance to give due prominence to this part, for an impression has prevailed almost universally that the Laurentine Country, now comprising the unsurveyed part of Canada, is hopelessly sterile, and consequently incapable of supporting an agricultural people so necessary to the proximity of a great mining district. Whereas the real facts of the case when fully known, show conclusively that not only in the river vallies, but over extensive ranges occupied by particular rocks, all the elements of fertility exist in singular abundance, and that it requires only the industrious hand of man to convert wide areas in those unoccupied solitudes into cultivated and fruitful farms.

MONTREAL----ITS MANUFACTURES.

MR. T. D. BIGELOW'S CITY NAIL AND SPIKE WORKS,—Were established over 60 years ago, with one or two machines; in 1839 he had five machines, propelled by horse power, and employing 20 men. After the water power at the canal basin was opened up to the public use, Mr. Bigelow removed there. He now uses 54 nail machines, 4 spike ditto, 1 shoe-sprig and 1 tack ditto, with shears, grind-stones, &c., propelled by water. About 50 men and 10 boys are generally employed here, earning 15s., 30s., and some 90s. per week. The works are now turning out from 1200 to 1500 tons of nails per annum, and can, if pushed to their full capacity, turn out 2000 tons of nails and 500 tons of spikes.

There are besides, at the canal basin, another Foundry and Engine Works of considerable extent, of which Messrs. Milne and Milln are the proprietors; Mr. Berry's Sewing-Machine Factory; an extensive Nail-Cutting Works, and the Messrs. Tait's Dry Dock and Ship Yard, of which returns have not been sent in.

FACTORIES IN THE CITY.

Messrs. Wm. Smyth & Co., Wholesale Boot and Shoe Manufacturers,—Began business in Montreal, in 1843, keep 8 sewing besides other machines, and employ 80 hands, male and female, on whom £75 per week are expended. Messrs. W. Smyth & Co. received an award of medals both for superiority of work and cheapness, at the Paris Industrial Exhibition, and have likewise been favorably noticed since at Exhibitions both in Canada and the States.

Messrs. Brown & Childs,—Established in Montreal a very large establishment for the manufacture of boots and shoes, into which they have from time to time introduced the latest inventions and improvements of machines for shaping, sewing, &c. They employ 800 persons, and turn out about 1000 pairs of boots and shoes daily, a large portion of which are sold to places out of Montreal.

Messrs. W. Hyatt & Co., Montreal Marble Works,—Hold large premises in Craig Street, have a capital of about £1,500, produce manufactures to the amount of £3,000 or £4,000 yearly, mostly for home consumption. This business, though of late growth, has, in Messrs. Hyatt & Co.'s case, been making considerable advances for the last few years.*

Mr. Charles Garth, Coppersmith, &c.—Business established in 1838; holds a brick house, which, with lands attached, he values at about £4,000; has numerous engines, boilers, &c.; keeps an annual average of 40 men and 12 boys, who get from £85 to £100 weekly; manufactures goods to the amount of from £15,000 to £30,000, two-thirds of which are for home consumption. Mr. Garth believes that this branch of trade may shortly, with the advantage arising from the opening of the Grand Trunk Railway, increase to ten-fold its present importance.*

Messrs. J. & W. Hilton, Cabinet Makers, &c.,—Commenced in 1845, have a capital of £15,000, hold a brick house, value £3,000, have numerous engines, and employ on an average 82 hands, to whom they pay all £116 weekly. Their yearly manufactures amount to from £20,000 to £30,000, of which about two-fifths are exported. This branch of trade dates its rise in Montreal from 1820.*

Messrs. R. & A. Miller, Publishers and Bookbinders,—Were established in 1843, use various machines for cutting, &c.; employ 20 hands, at £60 per month. School Books, &c., amount to 120,000 copies per annum. Binding and ruling alone give a sum of £2,400. Most of the books got up by this firm are sent to Upper Canada. Business steadily increasing.

Mr. Hew Ramsay has also a large establishment of this sort. Particulars not furnished.

*Other establishments of this sort, of whose existence the Committee are aware, not noticed, information not being furnished.

The Committee subjoin a list of eleven other bookbinding establishments, employing altogether about 75 men, viz :—Weir & Dunn, J. Parslow, C. Bryson, R. Graham, E. C. Tuttle, F. C. & A. Dredge, W. McIntosh, Beauchemin & Payette, J. B. Rolland, Chapleau, and Lamothe.

Messrs. Green and Son, Furriers, &c.—Were established in 1832 ; hold a house valued at £4,000, employ 12 men and 115 females, at wages of £200 monthly. Messrs. Green & Son have a Capital of £15,000, and of their manufactured goods one-fifteenth are for home consumption. They think that by having raw skin and furs from all countries free, and a judicious duty on manufactured articles, this trade might be extended to six times its present importance.

Messrs. McDowell & Atkinson, Wholesale Furriers, &c., 92 McGill Street,—Established in 1842, employ 20 men and 75 females, to whom they pay 233 dollars per week. Their capital exceeds £4,000, and of their manufactures to the amount of £70,000 per annum, one-fourth is for home consumption. Messrs. McDowell & Atkinson have lately established a factory for Buckskin Mits and Gloves, and will thereby be able to make those articles very cheaply. They also make 3000 silk and from 4,000 to 5,000 fur hats in the year.*

John Henderson & Co, late Henderson, Brothers & Co., of Quebec,—Established in Montreal a branch of their business in the year 1844, and have been steadily increasing their business year after year ; they now have one of the finest establishments in America, in their line, and are daily manufacturing some of the choicest Furs produced on this Continent, which always meet with ready sale. They employ upwards of fifty hands, and have a large capital profitably invested, and look forward with cheering prospects to the future.

Messrs. Moss & Brothers, Clothiers, &c.—Were established in 1836, have a capital of £60,000, hold large premises, five stories high ; give employment to 800 men and women, at £450 monthly, and of goods manufactured annually to the sum of £90,000 they send abroad about eleven-twelfths. Messrs. Moss & Brothers have all their work hand-wrought, and export American wares to Australia to the annual amount of £40,000.

Messrs. McMillan & Carson, Clothiers.—Commenced in May, 1854 ; have a capital of £2,000, employ 43 hands, at £50 a week, and of goods manufactured to the sum of £10,000, £4,000 worth are exported.*

Mr. J. W. Crerar, Confectioner.—Was established in 1833 ; has a capital of £2000, holds a factory at a rental of £250, employs 7 males, at £450 a year. Quantity of goods sold for home amounts to £8,250, for abroad £2,750.

Messrs. John Aitken & Co., Shirt Makers, &c.—Were established in 1851, have a capital of £3000, employ 300 women, manufacture goods to the amount of from £9,000 to £10,000 annually, of which one-half is for home consumption.

Mr. S. B. Scott, Shirtmaker, &c.—Factory established in 1854 ; has

*Other establishments of this sort, of whose existence the Committee are aware, not noticed, information not being furnished.

a capital of \$6,000, uses 10 sewing machines, employs 100 men and women, manufactures to the amount of \$25,000, about one-half of which is for home consumption.

Mr. E. S. Normandeau, Carriage Maker,—Was established in 1851, has a capital of £500, gives employment to 8 men, at £10 weekly; manufactures about 100 vehicles at from £5 to £60 each, all for home consumption.

Mr. Martin Gravelle, Carriage Maker,—Was established in 1841, has a capital of £3,000, rents premises at £50 per annum, employs 10 men, at from 30s. to 42s. 6d. a week, makes carriages to the value of £3000 yearly, all for the Canadian trade. Mr. Gravelle says that the improvements in his line are constant and marked, owing to the great competition, which also renders the profits very low.

Mr. Michael O'Meara, Carriage Maker,—Established in 1820, produces manufactures to the amount of from £10,000 to £15,000, nearly all for home consumption. Mr. O'Meara thinks that this business in Montreal is of a purely local nature.

Mr. Joseph Tees, American Carriage and Sleigh Maker,—Employs twelve men, at £20 per week, manufactures goods to the amount of £2750 per annum, half of which are for home consumption. Mr. Tees received the First Prize for a light pleasure carriage built on a new system, at the Provincial Exhibition lately held at Kingston and Three Rivers. Mr. Tees thinks that this trade is increasing in Montreal, and that carriages can be made here to compete in quality and cheapness with any on the Continent.*

Manufacturers of Tobacco.—Previously to the Reciprocity Act and Treaty, Leaf Tobacco of the growth of Canada West was sent here annually for sale. Since the free admission from the United States this has no longer been the case, the cultivation having been partially abandoned. A little tobacco is grown also in Lower Canada, but the climate does not permit it to ripen properly here.

The imports of unmanufactured tobacco from the United States in 1855 amounted to 719,000 lbs., of which 263,000 was brought to Montreal. There were twelve establishments here engaged in the manufacture of Tobacco, Segars and Snuff. The total import into Canada of segars last year was 5311 mille, of which only 1660 mille were brought to Montreal. About four millions are said to be manufactured here, giving employment to 100 persons. Six of the above establishments are principally engaged in the manufacture of snuff, of which five use steam power. The importation into the Province last year was 37,875 lbs., of which Montreal imported only 1614 lbs., there being manufactured in this city at least 250,000 lbs. Messrs. Joseph & Co., and Levey & Co., are the only persons who furnished the Committee with returns, the latter stating his manufactures at 25,000 lbs. snuff, 250 mille segars, and 160 cwts. of various kinds of tobacco, sold about half in Lower and half in Upper Canada.

The Eagle Foundry, in Griffintown, of which Mr. Geo. Brush is the present proprietor, was established in 1823, and here and at St. Mary's Foundry (the latter having been closed since the opening of the canal facto-

* Other establishments of this sort, of whose existence the Committee are aware, not noticed, information not being furnished.

ries) were for many years manufactured all or nearly all the engines used in the steamers upon the St. Lawrence and elsewhere in Canada. The Eagle Foundry, notwithstanding the competition of its new rivals, is still at work, having a complete set of shops and machinery for the construction of Engines, Boilers, &c., in which are employed about 100 men.

Mr. W. Rodden has an extensive Foundry in the City also, of which the Committee have been unable to give an account. Of *Mr. C. P. Ladd's* Foundry also, where, as in the first named Factory, large quantities of stoves are manufactured, the Committee have received no account.

Mr. C. S. Rodier, Jr., Threshing-Machine Maker,—Was established in 1851, holds a large wooden building, uses steam, employs 36 men at 6s. 3d. a day, and makes yearly 250 machines, all for Canada.

r. John Smith, Manufacturer of Threshing Machines, &c.,—Was established in 1853, holds a two-story brick shop, which, with some adjoining houses, &c., cost \$4000, uses water power, employs 35 men, at 200 dollars a week, has a capital of 30,000 dollars, manufactures yearly goods to the amount of 30,000 dollars, for both Provinces.

Messrs. B. P. Paige & Co., Patent Threshing-Machine Factory,—Established in 1848, occupies four main buildings of about 100 feet by 50 each, besides out-buildings. They are filled with machinery of the best description, propelled by a 50 horse-power steam engine. The cost of the establishment was £12,500; 175 men and boys are employed there, at wages of £600 per month. About £37,000 capital has been embarked; £25,000 worth of products turned out annually; half sold here and half exported. There is an increased demand both for home consumption and export, and the business is steadily increasing.

Wm. Johnson & Co., Threshing-Machine and Agricultural-Implement Factory,—200 by 150 feet, cost £1500; machinery propelled by a 20 horse-power engine; from 60 to 100 men employed, to whom is paid about £300 pound per month; £8000 of manufactures turned out last year, and the Factory could manufacture as much more. The machines are copied from Pitt's Patent, first imported here in 1842.

Mr. Wragg's Nail Factory, William Street,—Occupies a two-story brick building, uses steam power, has 25 nail-cutting machines, keeps 30 men, at 6s. 3d a day, and makes annually 900 tons of nails.

Mr. Wm. Burry, Millstone Factory, 324 St. Joseph Street,—Was established in 1840, employs about 10 hands, at an average of 10s. a day; manufactures yearly about 50 pairs of mill-stones, of which 5 per cent. are sold for home consumption. Mr. Burry intends importing his stock direct from France next year, and promises to furnish the goods connected with this business as cheaply as any in Canada.

Mr. Neil Doherty, Manufactory of Tobacco Pipes,—Was established in the year 1850; has now a capital of £1500; employs from 20 to 25 hands, and manufactures yearly from 4500 to 5000 boxes, which are all consumed in the Canadas.

Henderson & Son, Manufacturers of Tobacco Pipes, Colborne Avenue, —Manufacture annually of "Henderson's Tobacco Pipes" 15,000 boxes,

with means of extending the quantity to twenty-five thousand ; employ 100 hands, and have a capital of six thousand pounds. Established in 1851.

Messrs. John Mathewson & Son, Soap, Candles, and Oil Manufactory, Inspector and College Streets,—Was established in 1821 ; hold a three-story stone and brick building ; have all their work done by steam, and employ 38 men, at £45 per week. A large quantity of very excellent wares are turned out of this establishment.

There are several other large establishments of a similar nature in the City, but we have no farther returns.

George Perry, First-Prize Fire-Engine Factory.—This factory was established in 1848. Efforts have been made to produce the very best work. As a proof of the result it is only needful to mention that an Engine produced in this factory obtained a Prize Medal at the Great Exhibition at London, in 1851, and a first-class Medal at Paris in 1855. The effect has been to give this factory orders from all parts of Canada, and from France, England, and the Lower Provinces. Shortly after the London Exhibition, an engine was ordered from and sent to parties in British Guiana. The prospects of the establishment are good, and the opening up of the Western Canadian market during winter by railway is giving it additional work, parties coming here for engines who might have gone to the States. The number of small engines manufactured here is too large to give in detail, but during the past year Mr. Perry has turned out the following first-class engines, viz.:—one for Grand-Trunk-Railway Works, Point St. Charles ; one for Orono, C. W. ; one for Liverpool, Nova Scotia ; one for Woodstock, New Brunswick. Several others are now in course of construction.

Mr. Wm. Perry has also a factory of Fire Engines. Details not furnished.

Mr. R. Dean, Trunk, Bellows, and Mail-Bag Factory.—He makes 3000 trunks and valises, 100 pairs bellows, 400 to 500 different kinds of mail bags, per annum, worth about £6000. Received first prizes at Provincial Exhibition, and honourable mention at the London Exhibition.

Mr. Charles Linley,—Manufactures Circular Patent Double-blast and Long-shape Bellows, Portable Forges, &c., using a steam engine to propel circular and upright saws, &c. He turns out 600 pairs per annum, and might, with his present machinery, double the product. Three-fourths of his manufactures are sold to places out of Montreal.

Messrs. E. Atwater & Co.,—Have recently established here a Copal-Varnish Factory in which they manufacture about 500 barrels per annum, and are fast driving the imported out of use.

Mr. Clark Fitts, Biscuits and Cracker Bakery,—Established in 1827 ; uses two shops with machinery, manufactures 4300 barrels, worth about £5925, sold principally in Lower Canada and eastern part of Upper Canada.

Mr. Tilton manufactures ship and other biscuit to a considerable amount.

Messrs. Withall & Hood, Soap and Candle Factory,—Established in 1850, occupies two buildings, 100 feet long and three stories high, the machinery propelled by steam. Thirty men are employed, and turn out 20,000 boxes soap and 10,000 boxes candles per annum, worth about £36,000, all sold in this market and Quebec.

Paper.—In addition to the manufactures in Montreal itself, it may not be improper to notice some of those factories in the vicinage, for which Montreal is the chief depot and market. Among these is the Paper Manufactory of the firm of Alex. Buntin & Co., and W. Miller & Co., of Beauharnois, who have taken advantage of the water power of the Beauharnois Canal. The manufacture of paper seems to have been attempted in Lower Canada about 40 years ago, but one by one the old works were abandoned and allowed to go to ruin. It was only 15 years ago that this manufacture took a firm footing. The manufacture and business mentioned above was established by Mr. W. Miller in 1834, but the present factory at the Beauharnois Canal has been put in its present effective state within a few years past. The factory consists of substantial stone buildings in form of a square, three stories high, front 90 by 50 feet, right wing 120 by 40, left 40 by 30, and rear 90 by 40, erected at a cost, for building and machinery, of £12,000, or \$48,000. The machinery employed consists of one 84-inches-wide Fourdrennier Paper-Making Machine, five large iron engines, two large revolving boilers for steam-boiling the materials, another steam boiler for heating and drying purposes, and a variety of other machinery of the best description, all propelled by water-power, which is here afforded them to an almost unlimited extent. The works are capable of indefinite extension, as the market improves and is extended. Twenty-six men and forty-five women are employed here constantly, with occasional assistants, besides the large number engaged in collecting materials. Wages paid, about £400 per month. About 500 tons are annually manufactured here, worth £34,000, the capital permanently invested being about £25,000, or \$100,000. One-third is sold for Lower-Canada consumption, the other two-thirds to Upper Canada. Export is prevented by high duties in Britain, the United States, and sister Provinces.

At Sherbrooke—which is brought by the Grand Trunk Railway within very easy access of Montreal—Mr. W. Brooks established a Paper Mill in 1846, the produce of which is almost altogether sold in Montreal, Mr. J. Dougall being the agent. It consists of three buildings, one of brick and stone, 80 by 50; the others of wood; all erected at a cost of £6,000, or \$24,000. It contains six engines and two paper machines, propelled by water-power. The manufactures annually amount to about £10,000, or \$40,000, the capital embarked being of a like amount. It might be doubled.

The Portneuf and Wood-End Paper Mills.—Though situate at some distance from Montreal, take the greater part of their material thence, amounting to about 1,600,000 lbs. rags and other stock, besides chemicals, &c., and sell nearly all the paper through Mr. Chambers here. The factory was established in 1840; the two mills having cost £25,000: four engines and a Fourdrennier machine being employed in one, making writing and printing paper; and three engines and a Fourdrennier machine in the other, making wrapping papers. All are propelled by water, about 85 horse-power being used; 46 men and 50 women and boys are employed, to whom about £300 are paid monthly. About £35,000 capital has been embarked. About 1,200,000 lbs. of paper, worth about £25,000, is manufactured here per annum. Of this about £9,000 finds a market at Quebec; the rest comes to Montreal—say £5,000 for consumption here—and the remainder is sold to Upper Canada. The proprietors of these mills are now manufacturing a considerable quantity of writing as well as printing and wrapping paper.

We are informed that about 1,200 tons of rags are collected here each year for these factories and for export, at prices varying from 2½ to 4 cents per pound.*

At Sherbrooke, Mr. Loomas established a Woollen Factory in 1842, with 756 spindles, and 9 looms, besides cards, machines, jacks, &c., driven by water-power. The annual produce is about 60,000 yards of woollen goods, worth about \$36,000; the capital embarked being about \$25,000. The goods are nearly all sold by Mr. Dougall, in Montreal.

Stained Glass.—Mr. Spence has an establishment for this description of work.

As shewing the excellence of Montreal manufactures, a list is subjoined of those which obtained medals, when competing with the World at London and Paris. The following medals were awarded to Montreal Manufactures, at London, in 1851, viz:—

George Perry,	First Class,	for a Fire Engine.
Robert Morris,	“	for Saddlery.
J. Robb,	“	for Biscuits.
Hon J. Ferrier,	“	for Iron.
C. T. Palsgrave,	“	for Type.

The following were awarded at Paris, in 1855, viz:—

George Perry,	for a Fire Engine,	First-Class Medal.
Lymans, Savage, & Co.	“	“
John Ostell, Blinds, Sashes, &c.	“	“
W. Rodden, Machine Table,	“	“
D. Munro, Plaining Machine,	Second Class.	“
B. P. Paige, Threshing Machine,	“	“
A. Cantin, Ship Models,	“	“
R. Scott, Edge Tools,	“	“
J. J. Higgins, Axes,	“	“
W. Parkyn, Shovels,	“	“
J. & W. Hilton, Furniture,	“	“
Montreal Rubber Co., Rubber Shoes,	“	“
C. Fitts, Biscuits,	“	“
W. Smyth, Shoes and Boots,	“	“
E. Idler, Cured Provisions,	“	“

THE QUESTION OF MONEY.

To the Editor of the Canadian Merchants' Magazine.

SIR,—Although not so desirable as the commodity itself, a knowledge of the science of “money” is certainly of importance, and I rejoice to see men like your “Hamilton Correspondent” so prompt in devoting a part of their valuable time to render the pages of your Journal interesting by the discussion of this important subject.

I differ entirely from your correspondent, however, when he says—“It is not to an increase of our banking capital (for that would only make us more

* Mr. Russel's Lorette Mill is the only other establishment of the kind in Lower Canada, and this too sends no inconsiderable share of its manufactures to Montreal for sale.

artificial) so much as to an alteration in our money law that we must look for the ability to keep our money in the Province." The issue of a larger amount of paper money, whether by the Banks or the Government, would undoubtedly make us more artificial, but the introduction of bona-fide capital, whether employed through the banks or otherwise, would, in my opinion, have a contrary effect.

The true theory of our money scarcity appears to me to be correctly stated in the article "What causes the Scarcity of Money in Canada West," viz.: a large and sudden increase in the population and business of the country, without a corresponding increase in the amount of capital, and an excess of imports over the exports of the country, draining the precious metals which form the basis of our circulating medium. The remedy pointed out in the same article is, in my opinion, the true one,—to obtain sufficient capital to develop our resources, stimulate our home industry, and, if possible, turn the balance of trade in our favour. It is of no consequence to the discussion of this subject whether the banker or the merchant is entitled to be considered the best authority on "Money;" but I may remark *en passant*, that the labourer who toils long in the corner of the field, will, other things being equal, generally make a better practical farmer than he who relies entirely upon his correct knowledge of the theory of the farm.

The definition that "Money is that single description of property which is always saleable or convertible into all other property," would be correct with the following addition,—“and is used in all commercial communities to facilitate the interchange of one article for another, being the standard by which their relative value to each other is measured.” It is this latter quality that has given gold and silver the preference they enjoy as the standard of value, the steady price they have ever maintained furnishing the closest approximation to that desideratum, “a fixed nominal value.” The science of banking (for I respectfully submit that banking *is* a science) has given to the world an amount of currency which the precious metals never could have furnished; but experience proves that this currency must be based upon these metals, and is governed by them. All attempts to establish a local currency upon the security of Governments, or of lands or houses, have proved unsuccessful. Nor is this to be wondered at if we consider their relative value as mediums of exchange: thus, while one thousand pounds worth of gold could be removed from Toronto to New York for five dollars, a house of the same value would not be worth the cost of removal. It is this universality of value, and facility of transportation, which renders this article of so great commercial utility. Nor is its value only imaginary,—the labour expended on its production, as well as the important purposes which it serves, stamps it with a real value which cannot be destroyed, and only lessened by a reduction in the cost of producing it.

If gold and silver are thus the only instruments at all suited to make distant payments, and the only safe bases of our home currency, it clearly follows that anything which tends to drain these from a country, where they are not produced, and cannot, consequently, be a legitimate article of export, is injurious to the best interests of that country. Now, it is evident that if the imports of the country exceed the exports, we must either remain in debt or make up the balance in specie: in other words, if we cannot live upon our earnings, we must fall back upon our already inadequate capital.

Your correspondent states that by making our legal tender a local thing, "the over importations would be made to fall upon the importer, instead of having a crushing weight on every interest in the Province." Now, this I believe to be utterly impossible by any Act of Parliament affecting the price of gold.

We cannot float, to any extent, a currency not redeemable in gold; and a currency can have no fixed value at all unless it represents a certain quantity of gold, or bears a certain relation to the currency of other countries which are based on gold.

To say that the Canadian par of exchange shall be twenty dollars to an ounce of gold, is actually to fix the price of gold at twenty dollars the ounce. The general currency would rule the local, and the bills would fluctuate instead of the gold. The idea of dispensing with gold and silver, except for small change, is certainly a novel one, but it will require something more than the issue of a million pounds per annum of irredeemable paper (one-half of which would immediately find its way back to the treasury-chest) to render it successful. It is possible that when the whole world becomes enlightened some general system may be devised by which a paper currency may be made a universal tender; but constituted as society now is, I trust the day is far distant when the wheels of commerce will be clogged with an irredeemable paper currency.

If we examine the bank returns we shall find that the Bank of Upper Canada has a much larger circulation, in proportion to its capital and specie, than the other banks, and we shall find a reason for this in its being the bank through which the principal business of the Government is transacted, thus enabling it to keep in circulation a very large number of its notes. Let the Government issue its own notes, and this bank, losing the same opportunities of circulation, will be obliged, within a short time, to reduce its issues to the level of the other banks, and thus withdraw from circulation an amount at least double that of the Government paper circulating in its stead.

If this picture is not overdrawn, the only result of your Hamilton correspondents' suggestions would be to replace one million pounds of known and reliable currency, with half that amount of irredeemable and, consequently, depreciated paper.

There is also another remark which I shall notice. Your correspondent says,—“As in the States so in Canada; people will import as much as they can get credit for.” Now, this statement, if made regarding any respectable firm in Canada, would be indignantly denied; and we venture to say that if the enterprising merchants of Hamilton were to import for once to the full extent of their credit, the amount of their importations would be at least one half the total imports of the country. Upon due consideration I am sure your correspondent will be convinced that the merchants not only do not import all they can get credit for, nor even all they would be able to sell, but rather what they think they can sell and get paid for. They will calculate this not by the quantity of Government notes in circulation, but by the yield of the forest and the field, the price of lumber and the price of wheat; and thus, while in *theory* some of them profess a different creed, we find them in practice, without exception, firm believers in the doctrine of the balance of trade.

RED-RIVER AND SASKATCHEWAN COUNTRY.

In the *Report of the Commissioner of Crown Lands*, for 1856, we find the following account of the above Territory:—

As public attention has of late been much directed to the Red River and Saskatchewan country, and we may have, ere long, to take action for its development, and as apparently offering a favourable field for settlement, with that easily-cultivated prairie-land so desirable to many, it seems appropriate here briefly to notice it.

Including in this Territory the valleys of the Beaver River, the Peace River, and the River Arthabaska, as having a common character with it, the whole presents an area of nearly five hundred thousand superficial miles. Its extreme length, from the Lake of the Woods westward to the Rocky Mountains, is about nine hundred miles, and its breadth, from the northern boundary of the United States to the mouth of Peace River, about seven hundred miles.

This Territory, though forming but one-fifth part of that heretofore rendered available for the purpose of hunting only, a little exceeds the Empires of France and Austria added together. The isothermal position of the greater part of it resembles that of Poland.

A Territory so extensive naturally presents a considerable variety in surface, soil, and climate.

It has some strikingly different characteristics from the valley of the St. Lawrence and the eastern part of the continent generally.

The most prominent of these is its prairie character, which presents the greatest facilities for extensive farming without the labour of clearing off woods, and for the expansion of settlement; the great expense of grubbing out the timber, in opening roads, (which is the chief hindrance to it in wooded countries) being there unnecessary. Not that it is entirely destitute of wood, there being clumps and groves of timber chiefly along the streams, where the best lands are to be found, and where settlement will first prevail, besides wooded tracts of considerable extent on the upper waters of the Saskatchewan.

The next characteristic of importance is the immense coal-fields, which extend across the territory near the base of the Rocky Mountains. The large rivers whose head waters intersect this deposit of coal apparently present the readiest means of transporting it for the use of the settlements along their banks.

The celebrated Liebig in explaining the impossibility of certain interior countries of the Old World competing successfully with England in manufactures, attributes it solely to the want of coal, notwithstanding the low cost in them of manual labour and provisions. This Territory will be under no such disadvantage: its coal beds and its other mineral resources will, no doubt, at some future time give rise to manufacturing towns of an importance commensurate with the vast regions they will have to supply.

I would strongly note these two great facts—the former as calculated to forward the first settlement of the country, and the latter its future prosperity; while both require to be carefully taken into account as far as they may balance the disadvantage of its remote position.

There is another peculiarity to be observed of this Territory, which is of considerable importance to its agricultural value,—that is, the comparative mildness and shortness of the winters in the western part of it. According to the highest scientific authorities, the line of equal winter temperature with Kingston, in Upper Canada, and the vicinity of Sheboygan, on Lake Michigan, crosses the Saskatchewan half-way between its forks and its sources, and continues northerly even beyond this Territory, giving all the country between it and the Rocky Mountains a winter like that of Chicago. That this peculiarity exists to such a degree as to be of some practical value, is evident from the fact stated by Sir Alexander McKenzie, of the Indians of Saskatchewan having great numbers of horses throughout these plains which found their living out of doors all winter. Should this mildness of the winter prevail in such a degree only as to shorten the period during which it is necessary to feed cattle within doors in winter, and give additional time for ploughing in fall and spring, as it evidently must, its advantages will be readily appreciated by every practical farmer, particularly in a remote country where cattle and wool may be the most valuable staples.

Though isolated, it has a connected internal water system that may become of much value. The Red River, which falls into Lake Winnipeg, is, by the best American authorities, stated to be navigable upwards, for good-sized steamboats, far into Minnesota.

From the boundary of the United States, northward, it is navigable to Lake Winnipeg, which, at about two hundred and fifty miles, receives on the west side the Saskatchewan, a river thirteen hundred miles in length. Excepting for twenty miles from its mouth upwards, where it is obstructed by rapids, this great river is navigated by batteaux without interruption for about a thousand miles, to Fort Edmonton, near the base of the Rocky Mountains. At three hundred miles from Lake Winnipeg the Saskatchewan divides into two branches each about a thousand miles in length, and both navigable.

The Red River, Lake Winnipeg, and the Saskatchewan therefore present an inland navigation of at least thirteen hundred miles, commencing only three hundred and fifty miles from Lake Superior, and terminating at but little over five hundred miles from the Pacific, and very near the head waters of the River Columbia.

As some difference of opinion exists as to the value of this country for settlement, it may not be amiss here briefly to notice some of the facts respecting it, established by good authority.

In describing a portion of it to the westward of Lake Winnipeg, as large as Great Britain, Sir Alexander McKenzie says,—“All this country to the south branch of the Saskatchewan, abounds in beaver, moose deer, fallow deer, elks, bears, buffaloes, &c. The soil is good, and wherever any attempts have been made to raise the esculent plants, &c., it has been found productive.”

Speaking of the northern extremity of the territory we are describing, after mentioning that vegetables had been cultivated with success in latitude 58°, he says: “There is no doubt the soil would be very productive if proper attention were given to its preparation. In the fall of the year 1787, when I first arrived at Arthabaska, Mr. Pond was settled on the banks of the Elk River, where he remained for three years, and had formed as fine a kitchen garden as I ever saw in Canada.”

At New Establishment, lat. 56·9, he says, "snow fell on the 11th December, animals having been grazing in the meadows previously. On the 5th of April the snow was all gone, and flowers were in bloom, and the trees were budding on the 20th of that month, and on the 25th the ice had disappeared from Peace River." Ascending it he found, in latitude 55° 58', on the 10th May, exuberant verdure, buffaloes grazing with their young, and elks in vast herds, groves of trees in full bloom, open lawns and magnificent scenery.

From observation Sir John Richardson gives latitude 60° on the River of the Mountains, a tributary of the McKenzie River far to the north of this territory, as the limit of economical wheat-cultivation: oats and barley, he says, yield good crops, and the latter can be profitably cultivated five degrees farther north.

The plains in many parts of this great territory have a sandy and gravelly soil: elsewhere they present extensive tracts of very fertile alluvial land.

In regard to the fertility of the soil, and its adaptation to the purposes of agriculture, we have the following valuable testimony of Sir John Franklin:

"The land is fertile, and produces, with little trouble, ample returns of wheat, barley, oats, and potatoes. The ground is prepared for the reception of these vegetables about the middle of April; and when Dr. Richardson visited this place on the 10th May, the blade of wheat looked strong and healthy. There were only five acres in cultivation at the period of my visit.

"The prospect from the fort must be pretty in summer, owing to the luxuriant verdure of this fertile soil; but in the uniform and cheerless garb of winter, it has little to gratify the eye. Beyond the steep banks, behind Carlton House, commences the vast plain, whose boundaries are but imperfectly known: it extends along the south branch of the Saskatchewan, and towards the sources of the Missouri and Assiniboine Rivers, being scarcely interrupted through the whole of this great space, by hills, or even rising grounds. The excellent pasturage furnishes food in abundance to a variety of grazing animals."—*Franklin's Narrative*, vol. 1., p. 217, small edition.

Sir George Simpson gives the following description of the country between Lake Superior and Red River:—"The River which empties Lac la Pluie into the Lake of the Woods, is in more than one respect decidedly the finest stream on the whole route. From Fort Francis (on Lac la Pluie) downward, a stretch of nearly 100 miles, it is not interrupted by a single impediment, while yet the current is not strong enough materially to retard an ascending traveller. Nor are the banks less favourable to agriculture than the waters themselves to navigation, resembling in some measure those of the Thames near Richmond. From the very brink of the river rises a gentle slope of green sward, crowned in many places with a plentiful growth of birch, poplar, beech, elm, and oak. Is it too much for the eye of philanthropy to discern, through the vista of futurity, this noble stream, connecting as it does the fertile shores of two spacious lakes, with crowded steamboats on its bosom, and populous towns on its borders?"

Speaking of the Kaministiquia he says:—"The river, during the day's march passed through forests of elm, oak, pine, birch, &c., being studded with isles not less lovely than its banks; and many a spot reminded us of the rich and quiet scenery of England. The paths of the numerous portages were spangled with violets, roses, and many other wild flowers; while the currant, the gooseberry, the raspberry, the cherry, and even the vine,

were abundant. All this bounty of nature was imbued, as it were, with life, by the cheerful notes of a variety of birds, and by the restless flutter of butterflies of the brightest hue. Compared with the adamantine deserts of Lake Superior, the Kaministiquoia presented a perfect paradise. One cannot pass through this fair valley without feeling that it is destined, sooner or later, to become the happy home of civilized men, with their bleating flocks and their lowing herds; with their schools and their churches, their full garners and their social hearths. At the time of our visit, the great obstacle in the way of so blessed a consummation was the hopeless wilderness to the eastward, which seemed to bar for ever the march of settlement and cultivation. But that very wilderness, now that it is to yield up its long-hidden stores, bids fair to remove the very impediments which hitherto it has itself presented. The mines of Lake Superior, besides establishing a continuity of route between the east and the west, will find their nearest and cheapest supply of agricultural produce in the valley of the Kaministiquoia."—*Journey, vol. 1, p. 36.*

Though Sir George Simpson has, on a recent occasion, retracted the opinion formerly given by him in favor of the agricultural capabilities of this country, the facts he states are sufficient of themselves to shew conclusively that it contains much good land. His statements, when he speaks of riding all day over rich, alluvial plains, and of wheat yielding forty-fold in the Red River settlement,—even with a reasonable deduction, for travellers' exaggeration, (being in their general character substantiated by other testimony,)—will remain as sufficient proof of the character of the country, whatever opinion he may now express.

In his evidence lately given before a Committee of the Imperial Parliament, he states, that persons desirous of settling in the territory can get land at five shillings an acre, payable to the Company. As he asserts that the Company have done all they could to promote agriculture and settlement, we must suppose the price charged for their lands to be reasonable; if so, they must be exceedingly valuable for settlement, in comparison with lands in Canada, to justify the exaction of such a price for them, considering all the drawbacks of remoteness and other disadvantages that he and the other witnesses in behalf of the Company enumerate.

When what is known of this territory is carefully considered, and the largest reasonable deduction made for unfavorable parts of it, there remains the strongest reason to believe that it presents a vast field for settlement and enterprise; as it consists chiefly of that easily cultivated, prairie land which European immigrants and some of our native population now seek in the adjoining parts of the United States.

It seems, therefore, in the highest degree advisable to make a careful exploration of the country between Lake-Superior and Red River, with the view to opening a line of communication with the settlements, on the latter, and the territory generally. In such exploration the lines of natural water-communication should be likewise carefully examined. From what is already known there is reason to believe that they present one hundred and fifty miles of available navigable-water: possibly there may be more.

Any considerable extent of navigable waters in reaches of an useful length, that might be connected by roads, would be of great importance in

reducing the expense of opening the communication and the cost of transport upon it.

To recur to the subject of establishing a line of communication with the Red River settlement. It may be said that St. Paul's, in Minnesota, which the settlers of Red River now frequent, is their natural market; but it must be observed that the same distance would bring them to the Canadian shore of Lake Superior; whereas, at St. Paul's they are still a hundred and forty miles from the nearest part of that lake, and as far from its shipping port and ultimate market, Chicago, as they were from Lake Superior before they left home.

As being connected with the Red-River and Saskatchewan Country it seems appropriate very briefly to notice part of the adjoining British Territories.

The territory northerly of Lake Arthabaska is of no importance at present. Oats and barley can be successfully cultivated in the southerly parts of it only.

Its chief feature, the great River Mackenzie, with its forests, and meadows and coal beds on both banks, and its thousand miles of deep navigation—connecting the Arctic sea and its whale fisheries with the great interior habitable valley of North America, will probably become of some commercial importance when the Saskatchewan Country becomes inhabited.

The case is very different with regard to New Caledonia, including with it Vancouver's Island and the northern or British part of Columbia

With a breadth from east to west of from three to four hundred miles, it presents a coast of five hundred miles in direct length to the Pacific, without including the circuit of Vancouver's Island.

Though much of this country is mountainous and exceedingly rocky, its valleys contain much good land.

The mildness of its winter, and, as Sir John Richardson describes it, the total immunity from protracted cold, is its prominent characteristic, in which it differs from countries more to the south on the eastern part of the continent. This, no doubt, with its maritime position, and harbours open all winter, will make it a valuable field for settlement and commercial enterprise, separately considered.

These characteristics are more to be valued, however, as far as we are concerned, on account of their great importance to the interior country on the Saskatchewan, to which it presents the advantage of a comparatively near and accessible sea-coast in British Territory, with ports open all the year.

When the great distance from the Atlantic to the Saskatchewan is considered, the advantage of a short communication with the Pacific will be at once apparent.

We have only to look to the struggles of Russia at present to obtain an open seaport on the northern coast of Norway, and the important result to her nationality that followed her acquisition under Peter the Great of a footing on the Baltic, to judge of the importance of New Caledonia to the Saskatchewan Country when it becomes inhabited.

It is worthy of remark that the valley of the Saskatchewan, including its lower course, is similar in extent to that of the Volga, which it also resembles in soil and climate and in its isolated position.

A railroad through British Territory to the Pacific has been spoken of. As the difficulty of crossing the Rocky Mountains is, no doubt, less there than further south, on account of their being lower and intersected by rivers of considerable magnitude, the construction of such a road would doubtless be more practicable than within the United States territory; and its importance is obvious. But as it will be a work of immense expense it may not be constructed for many years to come.

It would be highly interesting, however, and if we should be called upon to take action for the development of the Saskatchewan country, it would be of importance, to ascertain more definitely, by cursory exploration, the capacity of that stream for steamboat navigation, and the regimen of the river as to freshets and droughts, also the facilities offered by the country beyond it for opening a line of communication by land, or partly by water, to the Pacific.

With a line of connection to Red River, and steamers of small draft on the Saskatchewan, a simple and economic communication with the Pacific might probably be established more advantageously than elsewhere.

When the North-West Company of Canada carried on an immense commercial intercourse with this country, many years ago, (before the trade was diverted to Hudson's Bay,) it must be remembered that canoe navigation commenced at Lachine, whereas steam navigation now reaches the head of Lake Superior—which sea-going ships may also do—within 350 miles of the heart of the territory.

THE OTTAWA COUNTRY.

From the Report of the Commissioner of Crown Lands.

SOUTH-WEST SIDE OF THE OTTAWA.

That country lying between the Ottawa and Lake Huron is the most valuable part of this section of the Province, and it is to that public attention is at present chiefly directed.

It extends along the south-west side of the Ottawa for two hundred miles above the city. It is two hundred miles broad at its base, and about one hundred at its upper end.

It differs from the country on the north-east side of the Ottawa in being much less elevated and containing large tracts of fertile land, and is superior in climate.

The different descriptions of timber which are more or less mingled on the north-east side, prevail separately in particular tracts on the south-west side, and afford a convenient territorial division of the country, indicating a difference of character in the separate parts.

The first of these natural divisions is what has been called the White Pine Country, from the prevalence of that kind of timber, of which it contains the finest forests, interspersed with tracts of hardwood land. It is a hundred miles in length from north to south, with an extreme width of forty-five miles, diminishing to twenty at the north end, and terminating at a point on the Ottawa a little above Pembroke. It includes the Counties of Carleton, Lanark and Renfrew, with a population of about eighty thousand souls. Though

traversed by a poor tract it is generally arable and of a good quality throughout, much of it being equal to the best lands in the western peninsula in every respect. Three quarters of the land in these counties are disposed of, and much of the remaining quarter consists of inferior residuary lots.

Westward of this lies the Red Pine Country, so called from the prevalence of that kind of wood. It is about a hundred and thirty miles in length from north to south, with a greatest breadth of fifty miles, tapering to less than twenty at its northern extremity on the River Matawin.

The soil of this division is generally a poor sand, more or less gravelly or stony, and in parts the surface is extremely rugged and rocky.

But there are on portions of it veins and tracts of hardwood land, in some cases containing many thousands of acres. These lie between the Rivers Bonnechere and Madawaska, and on the south side of the latter river where the character of this division becomes less definite and the veins or tracts of good land extend to the great hardwood region to the westward.

The soil of these tracts is generally a rich deep loam, and the timber chiefly maple, basswood, and elm of an exceedingly tall and heavy growth, with cedar swamps valuable for the richness of their soil and the superior fencing timber they afford. The surface of these tracts is in some places low and undulating; in others it rises in high hills. Excepting where such tracts occur the red pine country is unfit for settlement. North of the Bonnechere it presents its greatest unbroken width, which is about fifty miles: south of that river, where it is narrow and broken, fifteen or twenty miles of rough or poor sandy land have to be crossed in passing over it to the interior hardwood country.

The third natural division of the country west of the Ottawa is the Hardwood Country, so called from the prevalence of that description of timber, associated with belts of white pine—red pine being wholly absent.

This tract is about seventy-five miles in its greatest width westward, and a hundred and thirty miles in extreme length from south-east to north-west, and exclusive of tracts of good land on the Mississippi and Madawaska, connected with it, comprises an area of upwards of seven thousand superficial miles, and contains the head waters of the rivers Madawaska, Petawawe, Amable du F'onts, that flow into the Ottawa; and of the Muskoka and Maganetawan, of Lake Huron, and the whole of the South River of Lake Nipissing.

It is a singularly isolated region. Between it and Lake Huron lies a tract from twenty to thirty miles in breadth, of barren country terminating in bare flat rock towards the shore of the lake. It is girded to the southward, along or near the division of the waters of the Ottawa and St. Lawrence, by belts of poor, rugged, stony land, unfit for settlement, generally about twenty miles in breadth.

To the east it is separated from the inhabited country on the Ottawa by the timber country, but though breaking the continuity of settlement excepting through the tracts of good land, the timber country admits of the projection of good roads through it, while its business creates communication.

Until lately very little was definitely known respecting the territory behind the Ottawa lumbering country.

Of late more information has accumulated respecting it. On the Muskoka Road Rue, run by Mr. Bell, Provincial Surveyor, after entering the hardwood

country at three miles west of Bark Lake, on the Madawaska, there appears on adding the details together to be forty-five miles of good arable land, sixteen miles of rough land suited for pasture, and ten miles of worthless unarable ground.

The field notes of the Addington Road line show twenty miles at least of good land for settlement on the south side of the Madawaska.

Those of the Hastings Road line leading from Madoc to the Opeongo branch of the Madawaska, after the twenty miles of inferior rough ground on the division of the waters before mentioned, show forty-five miles of good land fit for settlement.

The line surveyed from Burleigh Rapids on the Otonabee, after passing over the twenty miles of poor land, on the division of the waters, ends in the commencement of the good lands of the interior.

The part of the Bobcaygeon Road extending from Somerville to Mr. Bell's Muskoka Road line, shows only six and a half miles of bad stony land, and the remaining nineteen generally good.

The survey of the head waters of the River Madawaska, performed under direction of the Crown Timber Office, Ottawa, in an area equal to fourteen Townships, shews two-thirds of it to be fit for cultivation.

These determine the southern boundary and breadth of the good interior tract.

Surveys and explorations in the northern part of it show that south of Lake Nipissing, and of the barren ground near French River, the country suitable for settlement commences on the head-waters of the Matawan, a tributary of the Ottawa, and extends nearly sixty miles westward.

Where it has been traversed in a south-east direction from Lake Nipissing to Lake Opeongo—a distance of sixty miles—for the first twenty miles it was found to be nearly all good arable land, and the remainder to Lake Opeongo rougher, but about two-thirds of it arable, and the timber throughout chiefly hardwood.

On the recent exploration from Lake Huron to the Ottawa under the direction of Mr. Shanly, Civil Engineer in charge of the Ottawa Canal and Railway surveys, behind the barren country already described on Lake Huron, the interior good ground was found to have a width of forty miles, with fifteen miles of rough, poor ground near Lake Opeongo: thence eastward the land was found rough and bad, (as might have been expected in crossing the red pine country already described), to the low alluvial country which extends up the River Bonnechere, to the distance of fifty miles in a direct line from its mouth.

Ascending the south river of Lake Nipissing, land of excellent quality is found to extend far in the interior.

This interior country contains many valuable water powers, and some important sites for towns and villages. It is exceedingly well watered. The groves of white pine timber that are interspersed through it are of the best description to be found in the Province, amply compensating for the land it grows on being in parts unarable.

This is unquestionably the best country for the growth of wheat still remaining unoccupied to the eastward of Lake Huron. Though the timber trade will present a ready market for part of the produce of this country when settled, yet it, from its isolated position, much requires a Railroad for

its development, and, from its extent and fertility, is well calculated to sustain one.

It is the opinion of men of the greatest experience in the trade in sawn lumber in the United States, now engaged in it on the Ottawa, that the construction of a railroad through the interior would lead to the profitable working of saw-mills on the numerous water-falls on the upper courses of the streams, giving a greater value to the timber that cannot now be brought out with profit; whilst the transmission of the sawn lumber to Lake Huron for shipment to the western markets would add considerably to the way trade of the road.

In carrying the proposed railroad to the Georgian Bay of Lake Huron through the interior, it will be of greater benefit in opening up the extensive fertile country, the more it is deflected to the southward by the head waters of the Madawaska to avoid the greater width of the Red Pine country on the direct line.

The part of this section north of the Matawan and French Rivers being more remote, less is known of it, excepting the vicinity of these streams and of the Ottawa.

The land to the north and west of Lake Nipissing is known to be good. On the French River it is barren, rocky, and unfavourable for settlement.

The west side of the Ottawa above the Matawan has been found, as far as seen, to present more fertile arable land than the country on the banks of the Ottawa below it.

High hills prevail on both sides of the river to the distance of half way up Lake Temiscaming, where, from being mountainous, the country falls in a sudden step to a lower level of undulating hills with wide valleys generally of a clayey soil.

This lower country is well adapted for settlement. It extends up to the head of the lake, and to a yet undetermined distance beyond it. The River Blanche and other tributaries falling into the head of the lake, flow far through rich alluvial valleys.

From the accounts of those who have traversed the country between Lake Temiscaming and Lake Abbitibbi (a distance of eighty miles on a direct line) there is no intervening mountain range, the division of the waters being scarcely perceptible. The nature of the soil is for the most part favourable to cultivation, being generally a level alluvial over a lime-stone formation. The timber is a heavy growth of beech, maple, elm, and pine, to the immediate vicinity of Abbitibbi, where the hardwood disappears and pine, cedar, birch, and poplar abound.

It is to be observed that where the kinds of wood first mentioned prevail the country must be suitable for the growth of wheat. It is entirely within the latitude to which wheat is successfully cultivated in more easterly, and therefore less favourable parts of the Province.

Though distant, this region cannot be considered as isolated or inaccessible. Lumbering will, ere long, extend into it; and the magnificent water system of the Ottawa, with a few miles of Portage road at the interruptions, will render it accessible by steamboat navigation.

Besides a lower reach of eighteen miles, Lake Temiscaming and the River Blanche present an uninterrupted extent of nearly a hundred miles of navigable water, which will evidently be of importance to the future settlement of this apparently extensive and valuable tract of country.

It is useless to attempt to describe the valley of the Ottawa eastward above Lake Temiscaming: its course, which is probably three hundred and fifty miles, is unexplored and unknown, except by the servants of the Hudson's Bay Company.

In this section of the Province there are remaining undisposed of on the Lower Canada side of the Ottawa about 909,600 acres of Crown Lands, chiefly on the River Gatineau, and 44,200 acres of Clergy Lands.

On the Upper Canada side there are about 561,901 acres of vacant Crown Lands, chiefly in the County of Renfrew, where the survey of new townships continues in progress in the tracts suitable for settlement on the Madawaska, Bonnechere, and Mississippi; and about 70,000 acres of Clergy Lands in the older townships.

To give access to the good lands in the valley of the Ottawa, the following roads have been made or are in progress, under the direction of the Bureau of Agriculture:—

The Frontenac Road, from Hinchinbrooke in the rear of Kingston, north-westerly about fifty-nine miles to the River Madawaska.

The Addington Road, which is nearly completed, extends from Sheffield back to the River Madawaska, a distance of fifty-six miles.

The Hastings Road, from Madoc to the Opeongo Branch of the River Madawaska, seventy-five miles in length, of which forty miles are practicable for wheeled carriages, and twenty miles more are being opened as a winter road.

The Bobcaygeon Road, from the rapids of that name in Verulam northerly to the Muskoka Road, is about forty-five miles long. The works on it are now in progress.

The winter road from Pembroke up the Ottawa to the mouth of the Matawan, a distance of 98 miles is now open.

The road from the Ottawa to Lake Opeongo is a hundred miles in length, passing through the new townships of good land between Rivers Bonnechere and Madawaska: about forty miles have been made a good waggon road. This part is to be connected with the Muskoka Road. The remainder of the line has been opened for winter travel.

On the Opeongo Road and also on the Hastings and Addington Roads, free grants of one hundred acres are made to actual settlers, who are located by the Resident Agents of this Department, and settlement is advancing rapidly.

In this section, besides two townships on the north side, there are on the south side surveys in progress to the extent of 600,350 acres, on the waters of the Ottawa, on or near the roads above mentioned, and in the County of Renfrew.

It is desirable to continue the subdivisions, and extend the survey of the townships on these roads, and on the line of the Muskoka Road, which has not yet been opened.

To form a just estimate of the value of the lands fit for cultivation in the Ottawa Country, it is necessary to consider the advantages of climate and natural resources.

The country on both sides of the Ottawa, and especially south of it, has a summer for agricultural labour upwards of a month longer than that of the District of Quebec; and fall wheat, which is better in quality, and yields about twenty per cent more than spring wheat, is successfully cultivated as far as settlement has yet extended. The climate, two hundred miles above the City of Ottawa, seems to continue equally favourable. When it is considered also, that for many years past the lumber trade has given the settlers high prices for their produce, and with a market on the spot, it will be at once apparent, that the Ottawa country is the most advantageous part of the Province, where Government has still any considerable extent of land to dispose of; and also, that inferior lands, or such as require considerable outlay of labour in the removal of stones, can be cultivated with more profit on the Ottawa, than in other parts of the Province not enjoying the same advantages in climate and local demand.

It will be seen that the occurrence of large tracts of rough land, if covered with valuable pine timber, much increases the value of a country for settlement, by giving the settlers on the adjoining good lands a higher price for their produce than if these pine lands did not occur. This should be borne in mind, and also the profitable nature of pine lands for their timber, in judging of what may be realized from the lands in the Ottawa country appropriated in aid of a railway through it.

The most important staple product of the Ottawa country has been its timber.

During the nine years, from 1848 to 1856, inclusively, the square timber sent to Quebec market from the Upper Ottawa included in this section amounted to 94,509,565 cubic feet of white pine; 25,591,805 cubic feet of red pine; 2,286,690 cubic feet of other timber; and taking the number of saw-logs cut on Crown Lands alone as an approximation of the export of sawn timber, the total would be 10,892,182 deals, or 299,535,005 feet, board measure, of sawn lumber.

On principles of calculation admitted by persons of experience to be correct, after making deduction for barren ground and destruction by fire, it is estimated that there must be still standing on the Ottawa and its tributaries, about forty-three millions of tons of timber of the kinds and dimensions now taken to market, and about a hundred and eighty millions of tons of a smaller size, that might be made use of; from which it would appear that, apart from the future growth, there is a sufficient supply for a trade, as large as the present, for upwards of a century.

GENERAL TERRITORIAL SUMMARY OF CANADA.

From the Report of the Commissioner of Crown Lands.

GENERAL TERRITORIAL SUMMARY OF LOWER CANADA.

Vacant Crown Lands, surveyed.....	4,797,550	Acres.
Do. Clergy Lands, do.	487,683½	"
<hr/>		
Total of disposable Public Lands, Seignories ex- cepted, do.	5,285,233½	"
Township lands hitherto, alienated	6,373,597	"
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Total hitherto surveyed in townships.....	11,658,830	"
Extent of Seignories	10,678,931	"
<hr/>		
Total organized	22,337,761	"
Unsurveyed Crown Lands.....	112,075,039	"
<hr/>		
Total area of Lower Canada.....	134,412,800	Acres.

The area of Lower Canada here used is only an approximation of its smallest probable extent, its northern boundary being but imperfectly known and undetermined.

GENERAL TERRITORIAL SUMMARY OF UPPER CANADA.

Vacant surveyed Crown Lands	830,398½	Acres.
Do. do. Clergy Lands	422,911½	"
Do. do. School Lands.....	193,643¼	"
<hr/>		
Total of disposable Public surveyed lands.....	1,446,986¼	"
Private Lands	19,388,997¾	"
<hr/>		
Total of surveyed lands.....	20,835,984	"
Unsurveyed Waste-Lands of the Crown.....	56,770,416	"
<hr/>		
Total Area of Upper Canada within the water-shed of the St. Lawrence and Lakes	77,606,400	Acres.
The total number of acres of surveyed Public Land remaining undisposed of in Canada is.....		
And of unsurveyed Public Lands.....	6,732,219¾	
And of unsurveyed Public Lands.....	168,845,455	
<hr/>		
Making the total undisposed of.....	175,577,674¾	
And of Private Lands	36,441,525¾	
<hr/>		
In the total area of that part of Canada drained by the St. Lawrence and its tributaries, which, at least, may be estimated as containing.....	212,019,200	acres.

The total price of land sold in Lower Canada in 1856 was	£5,145	15	3
Total amount received on account of land sold, and instalment due on former sales	3,019	14	1
Crown Quit-Rents.....	228	11	4
	<hr/>		
	3,248	5	5
Deduct charges.....	17	10	0
	<hr/>		
Net amount.....	£3,230	15	5
The total price of Crown Lands sold in Upper Canada in 1856 was.....	£41,329	13	8
Received as Crown Rent	90	0	0
	<hr/>		
Total receipts.....	£41,419	13	8
Deduct refunds.....	422	15	9
	<hr/>		
Net total receipts	£40,996	17	11

THE LAW OF BILLS OF EXCHANGE AND PROMISSORY NOTES.

(Continued.)

The law does not require either a Bill of Exchange or Promissory Note to be of any particular form ; but usage has adopted forms for the sake of convenience and of uniformity. Whenever forms generally used and approved can be had for bills or notes, or for any other contracts, such forms should not be despised. A departure from them, unless for good reason, is likely to produce mischief, either because of the omission of that which is material, or the insertion of that which is illegal. An adherence to established forms is, therefore, most strongly recommended.

FORM OF AN INLAND BILL OF EXCHANGE.

£300.

Toronto, May 25, 1857.

At sight (*or* "on demand," or "at — days after sight," *or* "at — days after date"), pay to C. D., or order, (*or* "bearer"), at the Bank of Upper Canada, Toronto, only, and not otherwise or elsewhere, three hundred pounds for value received.

(Signed) A. B.

To E. F., Montreal.

FORM OF A PROMISSORY NOTE.

£300.

Toronto, May, 25, 1857.

On demand (*or* "— days after date," *or* "— months after date,") I promise to pay to C. D., or order, (*or* "bearer"), at the Bank of Upper Canada, Toronto, and not otherwise or elsewhere, the sum of three hundred pounds for value received.

(Signed) A. B.

These skeleton forms are quite adequate for the purpose of all bills or notes in ordinary use, and if carefully filled up can never mislead. Considered as general forms, it may be said of them that there is neither an unnecessary

blank, nor yet an unnecessary word. Let us examine the several parts, in proof of this assertion, and in doing so explain the meaning of the whole of each instrument.

The parts are as follows:—1. Place where drawn ; 2. Date ; 3. Amount ; 4. Term for payment ; 5. Description of payee ; 6. Place of payment ; 7. Name of drawer or maker ; 8. In case of bills, name of drawee.

1. *Place where drawn*, (“Toronto.”)—This is not at all essential to the validity of the instrument, though both usual and convenient. In some cases it may be more necessary than in others. For instance, in the case of an inland bill, to show that it is inland, by showing the place where drawn. However, though always convenient, it is never material to state on the face of a bill or note the place, such as city, town, or township, in which it is made. If it should, under peculiar circumstances, become necessary to establish the place, extrinsic evidence might be adduced for that purpose.

2. *Date*, (“May 25, 1857.”)—This, like the preceding, is made necessary by usage, but not at all necessary in point of law. The convenience of it ought to preserve it in all well-drawn bills or notes. If the instrument, as is commonly the case, be made payable at a certain period “after date,” the first question is—“What is the date ?” Now, if the date were given, this question, which each holder at least silently puts to himself, would be answered without difficulty. When not given, resort must be had to external evidence, the procurement of which may cause delay and expense, and must cause some vexation to all parties. By the date of a bill or note is meant the day on which it is made, which if a day long preceding, an enquiry might not be very satisfactorily proved. The utility of an expressed date, which is presumed to be the true date, thus becomes at once obvious. The presumption, however, is one which, in the same manner as many other presumptions of law, may be disproved by a party interested.

3. *Amount*, (“£300.”)—This is usually stated in figures on the left-hand corner of the instrument, and in words, at length, in the body of the instrument. The more material statement is that in the body ; but the more convenient one is that in the margin. Whenever a variance between the two is found to exist, the words in the body of the instrument must govern. If there be a variance between two statements, it stands to reason that the one or the other must be wrong. The presumption is that inasmuch as a man is more likely to commit an error in entering figures than in writing words at length, the error exists in the former. In banking institutions, where it is usual to receive numbers of bills and notes daily for discount, it is customary, because convenient, to refer for amount to the figures on the margin of the instrument, which are, as it were, an index to the body of it. For this, and other similar reasons which will readily suggest themselves to business men, the custom of entering the amount on the margin is really useful, though not legally necessary.

4. *Term for payment*, (“At sight,” &c.)—This may or may not be stated ; but, to avoid confusion, should never be neglected. A bill or note in which no time for payment is mentioned is in effect payable on demand. Such being the effect of an instrument so drawn, the maker of it, if intending otherwise, ought to be careful to express his intention in apt language. If

the instrument be drawn at a given number of days after date, each day meant is one of twenty-four hours. If, at a given number of months, each month meant is a calendar, and not not a lunar, month.

5. *Description of payee*, ("C. D.")—The payee is the person to whom a bill or note is, in the first instance, made payable. It may be made payable to two or more persons, conjointly, thus—to "A. B. and C. D.," but not disjunctively, as to "A. B. or C. D." The precise description of the payee is not material to the validity of the instrument, so long as the intention be clear or can be made clear. A note payable to "the Trustees acting under A.'s will," was held sufficient, because extrinsic evidence might be received to show who the trustees were, and what were the trustees mentioned in the will. In fact, it matters not so far as the validity of the instrument is concerned, whether the payee described be or be not a real person. A note payable to the ship *Fortune*, or bearer, was held to be a good promissory note, negotiable by delivery. If there be no name inserted, or that of the payee be left blank, any holder into whose possession the instrument may, bona fide, come, can insert his own name, and recover. A bill or note payable to an individual, or individuals, named, without further words, is not a negotiable instrument. The words usually superadded to the description of the payee are "bearer" or "order," either of which imparts the quality of negotiability to the instrument. In case the payee described be a fictitious person or inanimate thing, the instrument cannot properly be made payable to "order," for that word makes necessary the indorsement of the payee to a legal transfer. But as a bill or note payable to "bearer" can be legally transferred by simple delivery, the payee may be a myth or thing inanimate, as already noticed, and yet the instrument be negotiated. A note may be made payable by the maker to his own order, in which case his indorsement gives to it the effect of a note payable to bearer.

6. *Place of Payment*, ("At the Bank of Upper Canada," &c.)—It is not necessary to the validity of a bill or note that any place for payment should be mentioned in it; amongst mercantile men, however, the habit of doing so is almost universal. If no place be named for payment the instrument becomes an absolute, unconditional, and unqualified promise to pay. But if, on the contrary, a place be properly named, then the maker only promises or undertakes to pay upon the performance of a specified condition—that is to say—demand of payment, when the instrument is due, at the place appointed. Great particularity in this respect is required. It is not sufficient for the purpose of so qualifying the promise, that the instrument be made payable at a place named, (*i. e.* "Bank of Upper Canada, Toronto:") the words "*only and not otherwise or elsewhere*," must be added. If these last words be omitted, according to the statute law of Upper Canada the instrument is payable generally; but if added, payable only at one place described. Upon this point the laws of Upper and Lower Canada differ. In Lower Canada, according to statute law, a bill or note made payable at a particular place named, is understood to be payable at such place "*only and not otherwise or elsewhere*," though these words are not made to appear on the face of the instrument.

7. *Name of Drawer*.—It is usual for the name of a maker of a note or drawer of a bill to appear in the hand-writing of the party at the foot of the

instrument, but in point of law, if made to appear in the hand-writing of the party on any part of the instrument, it will be sufficient. Thus, if a man in his own hand-writing draws a note as follows:—"I, A. B., promise to pay," &c., such note would be sufficient, though not signed, that is to say, subscribed by the party. The ordinary mode of signing bills or notes should not be abandoned for mere experiments, which may prove fatal. A beaten path is always to be preferred in mercantile transactions to new and untried avenues, however inviting. There may be more than one name to a bill or note. The instrument may be either joint or several in its operation. If signed by two persons without words on the face of it showing a separate liability, the instrument is joint. If the signatures be "A. B." or "C. D.," the instrument will be altogether bad. It is a rule of law that that which a man may himself do he may do through another. Hence an agent, if empowered so to do, may sign a bill or note on behalf of his principal. But if an agent without authority sign the name of a third party, in such case it would seem that neither the third party nor the agent would be held liable on the instrument.

8. *Name of Drawee.*—This of course is only necessary in the case of a bill, which is an order addressed by one person to another for the payment of a sum of money. A note being only a promise and not an order, need not be directed to any person. A bill may be drawn by a party addressed to himself; but when so drawn loses its character as a bill, and becomes substantially a note payable to the maker's own order, which, when endorsed, is in effect, a note payable to bearer.

JOURNAL OF MERCANTILE LAW.

INSURANCE CASE.—RIGHTS OF MORTGAGEES.

We find the following important decision in the May number of the *United States Insurance Gazette*:—

Supreme Judicial Court, }
MASSACHUSETTS. }

EDWARD KING vs. THE STATE MUTUAL FIRE INSURANCE COMPANY.

Where a mortgagee of property, held as security for a debt due him by a mortgagor, took a policy of insurance in his own name, and paid the premiums, it was held that the Insurance Company were liable for the whole sum so insured, and could not claim the assignment of the mortgage.

The following facts in this case were admitted: That the defendants insured the plaintiff in the sum of \$3,000, on his interest in a certain barn, by a policy in the usual form, and that the building was destroyed by fire, of which the defendants had due notice. It was also agreed, that the plaintiff was entitled to recover the sum of \$3,000, with interest, unless the Court should be of opinion that the plaintiff was not entitled to maintain his action.

The plaintiff's interest in the premises insured, was that of mortgagee of John Murphy, as expressed in a mortgage deed dated April 1, 1845, which

was in the usual form. After notice of the loss, and previous to the commencement of this action, the defendants informed the plaintiff that they were ready to pay him the loss under said policy, provided he would assign his mortgage interest to the Company, to an equal amount with the loss by fire; but the plaintiff declined to assign the mortgage, and the plaintiffs refused to pay the loss aforesaid until such assignment should be made.

Chief Justice Shaw delivered the opinion of the Court. The plaintiff's interest was that of mortgagee, and he claimed the whole sum insured. The defendants offer to pay this sum, provided the plaintiff will assign to the Company the mortgage. It appears from the mortgage, which was made a part of the case, that the mortgagee insured for himself, and in his own name; and the Court are of opinion, that he, having so insured the property and paid the premium, has a right to the whole insurance, without assigning or relinquishing the debt secured by the mortgage. The contract of insurance is to indemnify the assured for any loss sustained, and there is no privity of contract between the company and the mortgagor. If the mortgage debt should be paid before a loss happens, the mortgagee could not recover on the insurance for want of interest in the premises which the law requires,—that is an interest when the contract was made, and when the loss occurred. So, if an owner has insured his house, and has sold the same before loss, he has no claim on the insurer. But where the mortgagor assigned the policy to the mortgagee, the insurance money is received for the benefit of the person interested, and the mortgagee would be held as the trustee of the mortgagor for the balance remaining after subtracting the amount of his debt.

It is argued, that the mortgagee would be twice paid for his debt—once by the Insurance Company, and again by the mortgagor. But is it a double satisfaction for the same thing? There is no privity of contract between these different parties. The mortgagee does not claim of the underwriters the same debt which is due him from a mortgagor. He claims a sum for the security of his interest for which he has paid a consideration to the Company. In theory of law, the consideration which he pays, and the sum he receives in case of loss, are equal. The creditor, it is argued, receives a large sum for a small one. It is so in all cases of insurance, but the risk makes them equal. Suppose the case of a loan for twenty years, secured by mortgage on property, which the mortgagee causes to be insured for his benefit. In such a case, he may pay in premiums and assessments for the security of his claim a sum equal to that claim. He can not look to the debtor to refund him any portion of this sum paid. Why, then, is it inequitable that the mortgagee should receive both sums when he has paid a consideration for both?

The Chief Justice then proceeded to examine at length, the cases where a contrary doctrine seems to have been laid down, and showed that they rested on a different state of facts; as, that the mortgagor insured; or the mortgagee, at the expense of mortgagor; or, as controlled by statutes, or resting upon a peculiar state of facts. He then said that in this particular case, the Court was satisfied that the judgment should be for the plaintiff for a total loss.

MR. ANDREW for the *plaintiff*.
MR. KEITH “ “ *defendant*.

Liability of Common Carriers for the Measure of Grain.

We find in the Baltimore shipping list, an interesting decision respecting the shipment of grain; and as the same rule would doubtless apply to Canada, we give it as of importance to shippers and shipowners.

A decision of much importance to shippers of grain was given by Chief Justice Taney, a few days since in the case of *Mr. William Crichton vs. the steamer George Creek*, of Cromwell's line of New York steamers.

Some time in April 1855, a cargo of 9,137½ bushels of corn was shipped by the plaintiff on board the above-named steamer to New York, for which a clean bill of lading was received. The steamer arrived in safety, and the corn was delivered to the consignee, but when measurement was completed, the quantity fell short 240½ bushels from the number of bushels shipped. Suit was brought in the U. S. District Court to recover amount of short delivery, and Judge Giles decided against plaintiff, upon the ground that the Court could not infer a larceny. An appeal was taken, and the case came before the Chief Justice.

The defendants contended that they delivered all the corn they received on board, and that inasmuch as corn is sold by weight in New York, they should not be held responsible for the deficit.

The complainant contended that these formed no answer as the quantity short might have been stolen at the point of receipt or delivery without the knowledge of the agents or officers of the ship; that it is in proof that the Baltimore standard of measurement is fully equal to that of New York—that demand is made for short delivery between the quantity received and delivered by the measured bushel. The court decided that it was necessary to deliver the same number of bushels in New York that were received on board in Baltimore as per bill of lading. Judgment for plaintiff for \$365 and costs—*Baltimore Shipping List*.

TRADE AND NAVIGATION.

ENLARGEMENT OF THE WELAND CANAL.

The immense increase shown in the growth and development of the Western Trade is patent to all interested in commercial matters; it is equally evident that the avenues through which this vast commerce flows are daily becoming too limited. To increase the facilities of trade in ratio with its requirements is of much importance; and as the position of Canada is so favorable for securing the passage of this trade, anything relating to such a consummation cannot fail to be read with interest. It is, then, with much satisfaction, that we have perused the Report of the Commissioners of Public Works, and especially the remarks relating to the enlargement of the Welland Canal. To accomplish this desirable object it must be understood "that the portion of the line requiring the greatest amendment is that from Lake Ontario to the head of the Mountain Lock at or near Thorold; and for this three modes have been suggested: one, to leave the waters of Lake Ontario

by the Niagara River, a little above the Town of Niagara, crossing the table land, and then ascending gradually by the valley of the Welland Creek, and entering the canal at or near the head of the locks : another, to follow the line of the present work nearly throughout, from Port Dalhousie by St. Catharines to Thorold : the third, to adopt the present line from Port Dalhousie to St. Catharines, and then to proceed in the valley of the Twelve Mile Creek and by Decew's Falls, and to enter the canal somewhere between Thorold and Allanburg."

Of these three projects the first named appears to be the most feasible from various considerations; and with reference to it there is appended to the Commissioners' Report a very able document from Walter Shanley, Esq., C. E., "on the survey for a Branch Canal to connect the Welland Canal with the mouth of Niagara River."

The survey was commenced in May last under instructions from the Town Council of Niagara, and the Commissioners have had the maps, documents, &c. transferred to the Department of Public Works.

Mr. Shanley, in his report, considers the following points:—

"1stly. The abstract necessity of increasing the facilities of navigation between Lakes Erie and Ontario.

"2ndly. The scale on which such improvements should be designed.

"3rdly. The merits of the Niagara River as a harbour and entrance for the canal; and the feasibility of the route of the proposed "Cut," thence, to its point of junction with the present one, on the summit of the so-called 'Mountain' at the Village of Thorold."

On the first subject he notices the increase in the Trade of the West, and that the existing artificial outlets from the lakes to the ocean will soon prove insufficient. In this connection he also gives a sketch of the history of the Welland Canal, which may be of interest to many of our readers. He says it was "commenced in 1824: it was first used as a channel of intercommunication between the higher Lakes and Ontario in 1829: capable, though presenting a somewhat rude and primitive style of construction, of locking through vessels of about 100 by 18 feet, with a light draft of water. In 1842 it began, under the the auspices of the Provincial Government, to emerge from its infantile state of wooden locks, with, at most, seven feet of water on the sills, until, five years later, it assumed the higher order of existence in which it is now seen—adapted for vessels of 150 by 26 feet, drawing from 9 to 10 feet of water, and measuring 400 tons burden."

After referring to the manner in which these latter improvements were executed, and congratulating the Province that the expenditure has erred in being "too little" rather than too much, he proceeds to point out the necessities of an enlargement, stating that the loss to ship-owners accruing from damage and detention in the canal last season only, amounts to \$250,510; and that by various petitions, meetings, &c., ship-owners and commercial men generally have repeatedly called for the proposed improvement. He also alludes to the want of system hitherto pursued in the construction of the canals in the Province, the difference in the size of the locks being especially grievous, the lesser of course in all cases ruling the size of vessels, and rendering the large and more expensive ones useless. After making some general remarks as to the importance of the shipping interests of the lakes, that they must thrive and increase notwithstanding the construction of railroads, each

having their mission to fulfil, Mr. Shanley goes on to consider the size of a canal requisite for the trade; and turning from our own motley assemblage of locks, for a model, he directs attention to the construction by the Americans of the "Sault Ste. Marie Canal", which gives access to Lake Superior; at the same time showing the necessity for the enlargement of the Welland Canal to a similar size, so as to complete the chain of navigation. The width of the Sault Ste. Marie Canal on the bottom is 100 feet: the locks are 350 feet long, by 75 feet wide; the depth of water being 12 feet. Mr. Shanley proposes to plan the "Niagara Lateral Cut" on the same scale.

After showing the advantages the entrance of the Niagara River possesses as a haven, and disposing of a few slight objections urged against it, he proceeds to details, and says:—"The place I have selected as the point of departure for the new canal from the waters of the Niagara River, is in a little bay just before the dock-yard, and close on the north side of old Fort George. Thence to its junction with the Welland, above lock 25, at the village of Thorold, the distance by the surveyed route is $12\frac{1}{2}$ miles; the ground, generally, being favourable in a more than common degree, for the construction of the work. In point of directness it is almost a straight line; the first 10 miles being absolutely so, and the remaining $2\frac{1}{2}$ miles winding easily up the 'mountain' with four gentle curves. The sole objectionable feature to this location, and one which, with locks of the dimensions herein proposed, will apply equally, I imagine, to any other possible route from Thorold to the Lake, not excepting that of the existing Canal, is that some of the locks will have to be in 'combination'—a system of lockage to be shunned where practicable so to do. The elevation of Welland Canal water, at the point of junction, is 317 feet above the ordinary surface of the Lake: which ascent is to be surmounted by 25 locks, varying in lift between 9 and 14 feet."

He next details the general management of lockage, the crossing of water-courses, the drainage of the country, &c.:—"The cutting on the first ten miles is very favourable, varying from 5 to 12 feet in depth, and all in earth. The two last miles present a somewhat rough section, and will be partly in rock; and the junction must be effected by a cutting of some 25 feet in depth, 1500 feet in length, and composed of hard, compact earth, overlying limestone rock, through both of which materials it will be necessary to excavate."

Mr. Shanley then proceeds to deal with the cost of the undertaking. He says:—"I have next to deal with the cost of the undertaking. The figures referring to a scheme of so great magnitude, must necessarily sum up largely, and the construction of the "Lateral Cut," on the scale proposed, to wit, general width of Canal on bottom 100 feet, ditto at water surface 158 feet, locks 350 feet in length, by 75 feet wide, with an available depth of water of from 11 to 12 feet, will involve an expenditure of not far short of one million pounds currency. I doubt much whether the present Welland Canal could be enlarged to similar dimensions, between Thorold and Port Dalhousie, for an equal sum, to say nothing of the inevitable embarrassment certain to accrue to navigation during the progress of the works, and the consequently ensuing claims for "damage"—an item which it would be idle to attempt to estimate; and I am very sure that, apart entirely from the advantages contended for in favour of the river entrance, no new route can be found that will at all bear comparison, in any engineering point of view, with the one herein laid down."

So capacious an undertaking as that contemplated in the above large estimate, could of course only be made available in its highest sphere of utility "by having the upper portion of the Welland Canal enlarged to corresponding dimensions, or by devising some other plan to make the communication, whatever the scale adopted, complete from lake to lake."

We shall conclude our extracts from Mr. Shanley's Report by showing how he proposes to accomplish or obviate this portion of the work:—

"In that portion of the work to which my above estimate has reference would probably be involved one half the entire cost of completing the project through to Port Colborne; one lift lock only at Allanburg, to attain Lake Erie level, being called for above Thorold. The Welland Canal, as now seen, has cost, from first to last, about £1,400,000. The cost of carrying out this new project, from Niagara to Port Colborne would be likely to border on £2,000,000. I believe, however, that the greater part of the enlargement of the long level between Allanburg and Lake Erie might be judiciously, perhaps indefinitely, deferred, and an equally convenient plan resorted to for affording to large, first-class paddle steamers and propellers the desired facilities of transit between the lakes. This is to be effected by recurring, in a measure, to the original design for the old Welland Canal, in turning to its proper account the free water navigation afforded by the upper Niagara and Chippewa, or Welland Rivers. From Black Rock, below Buffalo, on the American side, and from Fort Erie on ours, these points being practically the foot of navigation for merchant craft at present, there is sufficient depth of water for vessels drawing 10½ feet, down to the mouth of the Chippewa. Excepting a short obstruction at the mouth, and one inconsiderable bar within, the Chippewa-creek has from 12 to 15 feet soundings from Port Robinson, 10 miles above the mouth, to its confluence with the Niagara River; there being in that distance no appreciable fall. Here then, we have a natural navigation, requiring but little outlay to render it available to the full capacity of the proposed Ship Canal, all the way down from Lake Erie to within six miles of the head of the 'lateral cut.' To make these six miles navigable for the class of vessels we have in view, would call for the widening and deepening of the present Canal to the named dimensions, and the construction of one lock at Allanburg and one at Port Robinson; the latter to lift from the surface of the Chippewa to the Erie level of the Canal, the difference being about nine feet. The expense attending this portion of the work of enlargement would probably be covered by £325,000; thus securing to us a complete steamer navigation, between Lakes, for a gross outlay of £1,325,000, leaving in undisturbed possession to schooner craft the Canal as it now is—tantamount, probably, to doubling its capacity for the passage of that denomination of vessels. There is trade sufficient 'looming in the future' to keep both channels occupied to the full extent of their respective capacities."

Improvement of the River and Lake-St.-Peter Navigation, and the Construction of a New Harbour at Montreal.

At a Meeting of the Montreal-Harbour Commissioners, held on the 24th April, 1857, the following resolution was adopted:—

"That in view of the augmenting trade of the Port, and of the proximate completion of the twenty-foot channel in Lake St. Peter, the Board are of

opinion that the time has arrived for taking into consideration the question of increasing the capacity of the Harbour; and that, in order to attract public attention to the subject, and to elicit an expression of public opinion, the Report this day handed in by Mr. Young be published, and the plans of Docks, prepared by Mr. Forsyth, be left for public inspection in the Merchants' Exchange."

ALEX. CLERK, ESQ.,

Secretary Harbour Commissioners, Montreal.

SIR,—

I beg, in accordance with the Resolution passed at the last general meeting of the Harbour Commissioners on the 17th inst., to submit my views as to the necessity either of adopting measures to secure an increase of Harbour accommodation, commensurate with the improvements of the Navigation in Lake St. Peter and the River St. Lawrence, or of discontinuing those improvements, should the Commissioners and the public decide that further Harbour accommodation is not required.

The consideration of this very important subject has not previously been brought before my present colleagues in the commission. It is not, however, new, as you will find from the minutes of the Board. So far back as January, 1852, I directed the attention of my former colleagues in the commission (the late John Try, Esq., and Louis Marchand, Esq.) to the necessity of improving and providing increased accommodation in the Harbour. A survey of the various localities was ordered, which was entrusted to C. S. Gzowski, Esq., the then Engineer of the Commissioners, and to T. C. Keefer, Esq. Those gentlemen were directed to report, generally, on the subject, but more particularly to ascertain whether a branch of the Lachine Canal could not be carried in a line parallel with Craig Street, down into Hochelaga Bay, and whether the Harbour could not thereby be so enlarged, as to afford the necessary accommodation for ships from sea. The Survey and Report then made left no doubt in my mind that the difficulties and great expense of constructing the necessary works, to connect the Lachine Canal with Hochelaga Bay, were almost insuperable; while the construction of a new harbour or docks at Point St. Charles, as referred to and recommended by Messrs. Gzowski and Keefer, in their report dated 28th January, 1853, was comparatively easy, and offered advantages to the trade and commerce of the port, superior, in my opinion, to those which could be obtained at Hochelaga Bay. Under this impression, I presented to my colleagues, on the 30th November, 1853, a report, in which I reviewed, at some length, the necessity—in view of the deepening of the channel between Quebec and Montreal to 20 feet—of at once adopting measures to provide increased facilities for sea vessels coming to the port, and strongly recommended that these facilities should be made at Point St. Charles. My report was adopted by my colleagues, and referred to the Board of Trade, and to the public, for an expression of opinion thereon; but the scheme did not meet much support, either from the mercantile community or the public. Indeed, at a public meeting held in January, 1854, resolutions strongly condemnatory of the scheme for constructing docks at Point St. Charles, were passed; and as my colleagues and myself believed that so important an undertaking

should not be proceeded with without a strongly expressed public approval, no further action has been taken in the matter. It seems to me that the progress of the trade, and other circumstances, render it imperative on the present Commissioners at once to decide on the policy which they intend to pursue, both in reference to the further improvement of the Navigation below Montreal, and to the enlargement of the Harbour.

I shall now, as briefly as possible, state my reasons for believing that large Harbour accommodations are necessary, and that the consideration of this subject should be no longer delayed.

I need not further allude here to the history of the river improvement below Montreal, than to say, that the enormous cost in time and freight by the lighterage of vessels on inward and homeward cargo, passing during the summer months through Lake St. Peter, early attracted the attention of the Provincial Government, and to remove so great a barrier to the commerce of the country, was deemed to be (as it no doubt is) one of the great public Provincial undertakings, by which the trade of the whole Province was to be benefited. Under this view, Parliament voted supplies to carry on the work, which was begun in 1844, and carried on at the expense of Government. Large sums of public money were expended, amounting in all to £77,558, until, in 1847, it became evident from my report to the Montreal Board of Trade, in 1846, and from other representations, that the expenditure was useless, and that the wrong channel had been taken for the improvement. This led to the abandonment of the work; and no further effort was made in deepening the ship channel until 1850, when, on being appointed a Harbour Commissioner, and being impressed with the great necessity of the work, and convinced of its practicability, I laid before my colleagues a report and plan by which I thought the work could be accomplished, and obtained authority to lay the scheme before the Government. As no Provincial aid was asked, the scheme was approved, and an Act passed in 1850, conferring on the Harbour Commissioners certain powers and privileges to carry on the work. A survey of the river and lake, by Gen. McNeil and Cap. John Childs, of the United States, and by C. S. Gzowski and Sir William E. Logan. Provincial Geologist, resulted in condemning the plan of deepening followed by Government, and approval of the plans previously recommended by myself and others in 1846.

The work was begun in 1851, under the superintendence of the late Capt. John Bell, whose indefatigable services, intelligence, and zeal largely contributed to the success of the undertaking. After five months work, the channel was deepened, throughout, two feet, and proved by taking a vessel through it, drawing two feet more water than was in the old channel. In August, 1853, the channel was further deepened four deep, and proved by vessels passing through it; and at present the channel, it is believed, is now three hundred feet wide at its narrowest point, and eighteen feet deep where before there was only eleven feet. It is proper here to remark that it would have been almost impossible to have obtained this depth of eighteen feet, but for the discovery by the late Capt. John Bell, in August, 1852, of a channel on the South side of the River, diverging from the one usually followed, at a point opposite to Varennes, and again intersecting it opposite to Lavaltrie. So much for the improvement of the Lake.

At present there is, at low water, no accommodation in the Harbour for

Trade and Navigation.

vessels drawing more than eighteen feet, and only for two or three vessels of that draught. The question then arises, as to the utility of further improving the channel of navigation below Montreal to a greater depth at low water, when we have no harbour where such vessels can lie. To deepen and improve the channel below Montreal, so as to secure a depth of twenty feet at the lowest water, will cost at least £25,000 additional; and unless a policy is adopted, and agreed to by the Commissioners, to secure increased Harbour accommodation, adapted for vessels drawing twenty feet, it must be evident that such expenditure would be worse than useless. It would impose a tax on the trade and commerce of the Port to the extent of £2000 per annum for interest, without the possibility of reaping any advantage therefrom.

These considerations are too evident to require argument; and it is equally plain that if the Province is to derive benefit from the deepening of the channel through the Lake, accommodation must be provided in the Harbour.

The question of increased Harbour facilities, and of improving the channel of communication between Quebec and Montreal to a depth of 20 feet at low water, both of very grave importance, and in which, I believe, the people of the Province generally are interested, as much as the inhabitants of Montreal, come up for discussion; and notwithstanding the opinion of some who are afraid of burdening the trade of the Port by increased taxation, I believe that the true interests of the city and of the trade of the Province imperatively demand that both improvements be carried into effect without delay. I am fully satisfied that it is not only safe and prudent, but that it is imperatively necessary, and the part of sound policy, to adapt every construction in the St. Lawrence, to the magnitude of its natural navigation, with the view to the wants of that trade which must ultimately flow between the Ocean and the interior, of which the St. Lawrence is the natural and best channel, and to carry out improvements on a scale corresponding with the probable, and in my opinion, the certain wants of such trade. The utter insufficiency of the various public works which have been projected in this country, and in the United States, with the view of meeting the wants of this vast interior trade, is sufficiently apparent to warn us from falling into similar errors. DeWitt Clinton was laughed at, and his calculations ridiculed, as to the extent of business which would flow through the Erie Canal, yet it had only been opened two years, when the reality surpassed his most sanguine expectations; and that work which originally cost fourteen million dollars, is now being enlarged at a further cost of twenty-three millions. Our Lachine Canal, originally built with locks of 22 feet, was obliged to be enlarged with locks of 45 feet. The Welland Canal, with locks originally of 22 feet, was enlarged to 26 and 45 feet locks; and a still greater increase in the capacity of the locks is now loudly demanded, and must ere long be carried into effect. These works were all commenced under an entire misconception on the part of the public, if not of their projectors, of the magnitude of the trade for which they believed they were providing the means of transport. But the trade still continues to increase, and must do so for many years.

In 1837 the total movement, in tons, of up and down freight on the Erie Canal was 1,162,296, while in 1856 the total movement was 4,022,617 tons,

or an increase in 19 years of nearly 400 per cent. In 1849, in the St. Lawrence Canals, the movement of up and down freight was 288,103 tons, while in 1856 it was 634,536 tons, or an increase of nearly 225 per cent in 7 years. These facts alone, in reference to the increase of trade on the St. Lawrence, independent of the present crowded state of the Harbour, with the probability of a greater number of Steamers coming to the Port, might be sufficient to convince every one acquainted with the trade of the Province, that a further deepening of the Channel to accommodate the largest ships from sea, and increased accommodation in the Harbour are necessary. But there is another point of view from which the subject may be regarded, and the consideration of which is necessary to guide the decision of the Harbour Commissioners, and to give them confidence in recommending and carrying out the improvements required.

In 1856, 4,022,617 tons of up and down freight passed through the Erie Canal, and only 634,536 tons on the St. Lawrence Canal, or *sixteen per cent.* of the business done on the Erie Canal. The tolls collected on the Erie Canal in 1856 amounted to \$2,402,924, and on the St. Lawrence Canals to the insignificant amount of \$77,720.

These comparisons are sufficiently humiliating to Canadians, especially when the character of the St. Lawrence Navigation is compared with that of the Erie Canal, and the more so when a complete remedy is within our own control—when, instead of being obliged as we now are, to pay tribute in tolls for transport of property through the public works of New-York, we might draw through the St. Lawrence Canal, not only the trade of Western Canada, but the trade of the Western States.

Out of 4,997,654 bushels of wheat exported from Canada in 1856, 4,362,379 bushels went from Canada West, across the lakes, to the United States, and only 635,277 bushels passed through the St. Lawrence Canals. There is no denying the fact that at present the great depots for the trade of Western Canada and of the Western United States, are the Lake Ports of Oswego and Buffalo. I shall attempt to show that the great bulk of this trade can be attracted through the St. Lawrence and Welland Canals, and that a large revenue can be derived from those works, which, for the last seven years, have cost Canada (after deducting the total amount of tolls) for repairs, management and interest on capital, an amount exceeding in the average, a sum of £225,000 per annum. But, it is not alone the capital invested in the Canals, in which Canada is now interested. A sum approaching to £4,000,000, is now invested by the Province in the Grand Trunk Railway, the annual interest upon which, with the annual loss on the St. Lawrence and Welland Canals, will not fall much short of £500,000 per annum, which the great mass of the people, the Agriculturists of Canada, pay by heavy duties on imports. The policy, therefore, of adopting every possible means to obtain a revenue from these great public works, and of *diminishing*, not *increasing*, the Duty on Imports, should, in my opinion, be an object of the greatest possible importance, especially when we see that the policy of the Government of the United States is to reduce their Tariff, and to collect their revenue from as few articles as possible. These considerations strongly tend to show the necessity of increased facilities to trade in the Canadian route to the Ocean. It should also be considered that the tonnage necessary to move the products of the West to the East, has always exceeded, and must always in the

nature of things, exceed in amount, the tonnage requisite to move the representative value of these Western products, in merchandise, passing from the East to the West. Hence, at Oswego and Buffalo, in consequence of this surplus tonnage moving from East to West, freights from these points to the West, have always ruled at nearly ballast rates.

Five-eighths of the total amount of cereals which pass through the Erie Canal and arrive at tide water on the Hudson River, are for *consumption* in the Eastern States, and *three-eighths only* are exported.

The route or line of communication, therefore, which secures the carrying trade of the *five eighths*, will thereby be in the best position to compete for the *three eighths*. Why? Recent reports and calculations of the relative cost of transport on the various lines of communication between the East and West, by such men as Killaly, Swift, Jarvis, Keefer, Shanley, Clarke, Mill, and Gamble shew conclusively, that with the Welland Canal enlarged, and a connection made between Lake Champlain and the St. Lawrence at Caughnawaga, the cost of transport between the Ocean ports and the West, would thereby be so much reduced as to compete successfully with the Erie Canal even when enlarged. Instead, therefore, of the trade of the Western States and of Western Canada, being attracted to Oswego and Buffalo as it now is, that trade would pass down the St. Lawrence, simply because that route would be the *cheapest and most rapid*. But, it will be said now as (often before) that if a Canal is constructed from that point into Lake Champlain, the whole trade of the Lower St. Lawrence will be ruined, and that everything will be carried on to New York and Boston. I have already shown that, under the present system, with no outlets by water from the St. Lawrence below Oswego, we only succeed in attracting to the Lower St. Lawrence 16 per cent. of the amount of trade in tons which passes through the Erie Canal. Bearing in mind the fact, as developed by the *favorable returns* of 1856, and also, the fact, that *five eighths* of the whole cereals of the West passes through the Erie Canal for *consumption* in the Eastern States, let us see what may reasonably be looked for. If the representations of the eminent engineers named be correct, the route via the St. Lawrence and Lake Champlain would be the cheapest and best for the *five-eighths*; but, admitting this, does it necessarily follow that the route through Lake Champlain would also be the best for the *three-eighths* intended for export? I unhesitatingly answer No! and for this reason:—The ocean route for vessels of all kinds, from Europe to the Continent, is the same as far as Newfoundland. From Newfoundland, vessels bound for the St. Lawrence or for Atlantic ports in the U. S., take different routes. Now, compare these routes. The distance from Liverpool to Caughnawaga, via New York, is 3,400 miles. The distance from Liverpool to Caughnawaga, via Montreal, is 2,700 miles. Suppose a vessel arriving at Caughnawaga, or at the entrance of the Lachine Canal, loaded with Grain or Flour intended for export, is it reasonable to suppose that such a vessel would proceed on to New York from the St. Lawrence—even supposing all obstructions on the Hudson removed—through a series of artificial works in-land, there to tranship a cargo destined for Europe, by a route *seven hundred miles longer* than the route from the same point of departure on the St. Lawrence? To suppose so, is to suppose that trade will seek the longer and more expensive route rather than the nearer and less costly one. The same reasoning applies to the

outward cargoes from Europe to Boston and New York. To make the St. Lawrence, therefore, the best route for the transport of the *five-eighths* of cereals required for consumption in the Eastern States, would secure, to the import trade of Montreal, the same constant and abundant supply of tonnage going from the East to the West, on the return voyage from Lake Champlain, and at the same low freights as are now obtainable at Oswego and Buffalo. If, therefore, the St. Lawrence importer could say to the English or Foreign Shipper, "Why send your vessel to New York or Boston with passengers and freight destined for the West, on a route where two transshipments are necessary, when the same point can be reached—from the Atlantic via Montreal—700 miles less in distance, and with only one transshipment, and where freights by propellers and sailing vessels (now only obtainable at Oswego and Buffalo) on their return voyage from Eastern States, can be procured to any extent at nearly ballast rates, and where also the Railway system connects with all parts of the United States and Canada." To such a question it would be difficult to reply, inasmuch as the advantages we could offer, and the inducements to change the present route of transport would be as irresistible as are the facts.

The bearing of these remarks, on the proposed Harbor improvements, seems to me of the greatest importance. The construction of the works alluded to, would, in my judgment as a merchant, intimately and familiarly acquainted with the whole subject of Western trade and transportation, give to the St. Lawrence, and to her ocean cities, Quebec and Montreal, that superiority which is now possessed by the Erie Canal, New York and Boston; give a prominence to Canada, her Canals and Railways, in the commerce between the vast Western interior and the Ocean, and secure advantages which may be deferred, but cannot be prevented. Hence, the safety of providing facilities in the port of Montreal, commensurate with the vast advantages of its position. Nor can it be doubted that an increase in the business of the St. Lawrence Canals will also increase the revenue of the Harbour. If, for example, £20,000 of Harbour dues were collected in 1856, while the St. Lawrence Canals only attracted 16 per cent. of the amount of business done on the Erie Canal, it naturally follows that if the Lower St. Lawrence could be made to attract even 32 per cent., instead of 16, the revenue of the Harbour, at the same rate of dues, would be doubled in amount; so that the construction of every work which increases facilities for, and attracts trade to the lower St. Lawrence, has a direct tendency to augment business, and to *reduce* and not enhance *Harbour dues*.

The improvement of the navigation between Montreal and Quebec is a matter in which Western Canada (being the largest importer and shipper) is actually more interested than Eastern Canada. It is an admitted fact that a large vessel can carry freight cheaper than a small one. If, therefore, a sailing vessel of 2,000 tons, or a steamer of 3,000 tons can ascend from sea to the foot of the interior canal navigation at Montreal, without breaking bulk, and there meet the propeller or the sailing vessel from the interior, an exchange of cargo can thus be made by which the cost of transport can be reduced to the lowest possible point. The profit gained by the interior vessel depends on the rates of freight, and on the number of trips she can make during the season. As the rates of freight are higher on the route *above* Montreal, it is evident she would lose money by proceeding on a route

below Montreal, adapted for the large class of Ocean Ships, and on which rates of freight are lower.

Entertaining these views, I am not only in favor of deepening the channel between Quebec and Montreal to 20 feet to the lowest water, but, of increasing the Harbour accommodation. But in what way is the necessary accommodation to be obtained? In my opinion, it should be obtained by the construction of docks at Point St. Charles, and not by the deepening of the present Harbour. The wharves must remain as they are. Further excavation would undermine the whole of the present structures, and render new constructions necessary, at a cost far beyond our means. The construction of a new Harbour and the deepening of Lake St. Peter, are improvements which must go hand in hand. To continue dredging in the Lake, without a prospect of increased accommodation in the Harbour would be useless and unjustifiable. I have long thought that the improvement in the Lake channel would render the Harbour improvements imperatively necessary; and the time has now come when both these great works should be carefully considered by the Harbour Commissioners and by the public at large, with a view to future action.

Plans, for the enlargement of the Harbour, have been prepared under my direction, by Mr. Forsyth, the Engineer of the Commissioners, who had the advantage of consultation with Messrs. Alexander M. Ross, and James Hodges, the eminent Engineers of the Grand Trunk Railway, and with John Page, Esq., Chief Engineer of the Public Works Department, who at the request of the Commissioners, kindly lent their aid. A careful examination of these plans, and of the following considerations, which I can only briefly hint at, will in my view show that the construction of Docks, at Point St. Charles, will afford greater public advantages than could be derived from docks constructed in rear of Hochelaga Bay. The embankment and abutment of the Victoria Bridge as now constructed would form the upper side of the proposed dock at Point St. Charles. The site for the work is the property of the Commissioners. The dock being connected with the river as well as with the canal, railway and bridge, property can be moved from the Ocean or Lake Vessel with great economy. Stores can be erected on the wharves in dock, secured from ice in winter. The water from the tail race of the Water Works would not only supply the Dock, but have sufficient fall to drive the necessary Hydraulic Cranes as well as elevators for grain. The expense of cartage, storage, and insurance, would be reduced to the lowest possible rate. The facilities for loading and unloading would lessen the time of the ship in dock, and a harbour be secured to the great advantage of steamers and other craft, requiring repairs in winter. Dry docks for steamers and ocean vessels would be of easy construction; and facilities might be created and combined at this point, for canal, river, and railroad transport, at a moderate cost, which could not be equalled at any other point on the continent of North America.

Hochelaga Bay is $2\frac{3}{4}$ miles distant from the entrance to the Lachine Canal. Stores erected there on the level of the water would not be free from danger by ice. Docks in rear of the bay, would have to be supplied from the St. Lawrence by nearly eleven miles of pipe, inasmuch as water could not be furnished in sufficient quantity from the Lachine Canal without ruin to the navigation. The elevation of the dock above the river is 37 feet against 20 feet at Point St. Charles, and the cost of construction would be greater.

While I think, therefore, that Point St. Charles has, for the reasons I have mentioned, and by its proximity to the Victoria Bridge Railway and Lachine Canal, superior advantages to Hochelaga Bay, for the construction of docks, I am at the same time fully aware of the value of that bay, adapted as it is, by nature, for the transaction of a branch of commerce, in which but little is now done at the port of Montreal. Hochelaga Bay is the nearest ocean port for shipping the vast timber products of the Ottawa and its tributaries, and whenever that region is connected with the lower St. Lawrence by railway, a work in which the city of Montreal has a deep interest, an enormous trade in deals, lumber, and timber goods of all kinds would centre at Hochelaga, where facilities could be created as a port of shipment that could not be equalled.

Should the Commissioners agree with me in the general principle, that increased harbour accommodation is necessary, I would suggest that the plan prepared by Mr. Forsyth should be opened for public inspection, and an expression of opinion solicited. Should that opinion be in favour of providing increased harbour accommodation, then the Commissioners would be justified in again placing the whole subject in the hands of a Board of disinterested and able engineers, in order to procure a Report and Estimates of the cost of such improvements, *in such locality as they would advise.*

Some such course as I have now sketched out seems to me to be necessary, for the time is not distant when a great responsibility will fall on those who neglect to provide for the growth of the commerce of this port; and, although public opinion may still be adverse to the views which I have so imperfectly and cursorily suggested, still the Harbour Commissioners, if their opinion coincides with mine on this important subject, will only do their duty in again submitting the question for public discussion.

I have the honour to be, Sir,

Your obedt. servt.,

JOHN YOUNG.

Chairman Harbour Commissioners, Montreal.

MONTREAL 23rd April, 1857.

AGRICULTURE vs. TRADE.

The condition of business in the great marts of the Atlantic coast continues to be quite unsatisfactory, and is declared to be duller than in any spring for the last seven years. In the western cities there has been a temporary improvement within the past two weeks, consequent upon the rise in price of produce, and the disbursement of a large amount of money by the great number of emigrants arriving there.

The complaints of the present season are not caused so much by the deficiency of business as by the redundancy of traders, and the over-supply of manufactured articles furnished by the improved machinery which has been brought into operation within a few years. These are altogether disproportionate to the agricultural products of the country.

While there is but little danger of any serious breakdown in the general business of the country, we cannot fail to have a comparatively long period of inconvenience, disappointment, and embarrassment, until the relations of the various interests of labour and capital gradually become adjusted to each

other. It is easy to induce men to leave the isolated life and small gains of agriculture, for the excitement, the adventure, and the delusive hopes of trade and city life ; but stern and long-continued necessity is needed to induce them to leave the social excitement and the speculative business of the cities, which are continually tempting them with apparent opportunities of acquiring a fortune, though all these have, over and over again, been proved as delusive as the chances of drawing the highest prizes in a lottery.

The spirit of enterprise in our people is stimulated by free institutions and an unbounded extent of new lands, the price of which, for the ownership, is only a small per centage of the yearly rent of lands in the populous countries of Europe. Hence it is that our enterprise lacks system and regulation, that our markets are so uncertain and fluctuating, and our industrial development is forced too rapidly, at an immense and unnecessary waste of life and health, as well as of money.

We cannot look for any substantial and permanent reaction, till larger amounts of capital, and a much greater number of energetic young men are withdrawn from other pursuits, and concentrated upon agriculture. Time will effect this ; but it will be a slow work ; for ambition and energy will not readily give up the dreams of wealth and luxury with which they indulge in the cities.

To the man of superior judgment and great energy of character, agriculture does not offer, of course, so good an opportunity for the acquisition of a fortune, as commerce, manufactures, and the mechanic arts : but there is a certainty of the acquisition of competency in agricultural employment, and an unlimited field for its operations, so that not one in a hundred who embark in it need fail of success ; while in other avocations, the field will only allow of a limited number, and is always likely to be so crowded with competitors, that in the end the condition of the great body of people devoted to them is reversed, and not more than one in a hundred is successful, while the majority of them are disappointed, and struggle on, poor and unhappy, in a precarious and perplexing business, till death closes the scene.

As a general rule, all business which offers sure and permanent employment to a great number of people, gives but a moderate remuneration, while occupations in which but a limited number of people are required, are very fluctuating and uncertain, the amount of income, sometimes, and to some persons, being extremely profitable, and at other times, and to other persons, offering no employment or reward. If the profits of agriculture were averaged among all the people employed, there is no doubt the sum of profit accruing to each individual would be larger than that obtained by those engaged in commerce and manufactures, though in the last named branches of industry, the remuneration is very unequally bestowed, and for a few large fortunes there are many toiling in disappointment, anxiety, and poverty, and losing entire fortunes inherited or gained in other and previous pursuits.—*Boston Traveller.*

REPORT OF THE MINISTER OF AGRICULTURE.

A paragraph has been published in many Canadian Journals, purporting to give a synopsis of the Report of the Minister of Agriculture, in which it is stated that 9,391,541 bbls. of flour were exported in 1856, against 6,413,428 bbls. in 1855.

This is just five times the correct amount; the error having arisen by substituting the word *Barrels* for "*Bushels*."

The following is the statement corrected:

The Report of the Minister of Agriculture, for the past year, was presented to the House on Friday evening. We give a few particulars which will be found interesting, as evidences of the increased attention given to Agriculture, throughout the Province. The statistics given, it will be seen, are based on the export returns; the department not being able, as yet, to obtain reliable agricultural statistics from the different counties. The adoption of a proper system of collecting this information, such as that practiced in Europe, is strongly recommended.

By the approximate estimate of produce given, it is shown that in 1856 the exports of wheat and flour were unprecedented. There were 4,997,656 bushels of wheat and 878,775 barrels of flour exported in that year against 3,193,748 bushels and 643,936 barrels in the previous year; showing an increase in the exports of 1856 equal to 2,978,103 bushels wheat, or 595,620 barrels flour. In the matter of wheat, it is estimated that the produce in 1856 amounted to 26,555,684 bushels of 60 lbs. per bushel, while the crop of 1851 was estimated at 16,155,955 bushels—showing an increase in five years of 10,399,783 bushels. The export of barley increased from 566,534 bushels, in 1855, to 989,447 in 1856. In Indian corn the export shows a larger increase. In 1855 it was estimated at 73,066 bushels, while in the following year it increased to 164,495 bushels.

The increase in oats has, however, been larger than in any other grain. The export in 1845 was 370,275 bushels, and in 1856 it increased to 1,296,677. The money value of the agricultural exports of last year exceeded 1855 by £485,469.

The free grants of land, for settlement, on the Ottawa, and Opeongo, and Hastings, and Addington roads, have been so far successful that there are now on these roads some 332 families entitled to location tickets.

During the past year 106 patents of inventions have been issued from the Bureau of Agriculture, for which fees to the amount of £592 5s. 6d. were received.

THE PRICE OF WHEAT.

The commercial editor of the *New-York Independent*, May 28, thus states his views:—

The farmer must now devote himself to the sowing of his lands, and the preparation of the crops for autumn. For months past a great number of farmers have been engaged in land speculations, borrowing money with which to make purchases; and it is probable they will not be able to re-sell this season to the extent to which they have been buying. It is for the interest of the farmer, now that prices of all grain are so very high, that he should sow, especially wheat, if not too late, to a much greater extent than last year.—The wants of Europe will be great. The continued high prices of food in Europe show that there are no large stocks to fall back upon; and it is clear that it will take several years of successive abundant harvests all over the world to enable large stocks to be hoarded. Even with a good harvest this year, it will all be wanted for consumption. Stock only accumulates in

periods of low prices; but the high prices that have ruled for so long a time have brought to market a far greater proportion of the harvest of last year than is otherwise usual.

Railway expenditure in itself is a source of prosperity to the farmers; for consumers are brought to their market, cash in hand, ready for purchase. The labor is the chief expense of the railroad contractor, so that every impulse is given to the cultivation of lands by the building of railroads. Land gambling does no such thing. Lands are only thus purchased for the purpose of resale, but lands granted to railroads are lands granted for production. The cultivation of the land and the building of the railroad go on together. There never was a finer time for the farmer, if he will only cultivate—cultivate all he can, and not buy what he cannot cultivate fully.

COMPARATIVE STATEMENT of the Quantity and Value of Goods enumerated in the Reciprocity Treaty—being the growth and produce of the United States, and Imported into Canada during the Years 1855 and 1856.

ARTICLES.	1855.		1856.	
	Quantity.	Value.	Quantity.	Value.
Animals No.	7,470	£ 51,896 5 1	16,700	118,474 6 2
Ashes		7 4 8 10		1,799 5 5
Bark Cords		816 19 3	608	551 6 3
Broom Corn		7,047 14 9		9,825 15 9
Burr and Grindstones		5,297 8 6		4,451 11 5
Butter Cwt.	1,320	6,440 13 8	2,360	11,241 11 10
Cheese Cwt.	9,500	25,995 12 0	13,800	38,415 0 0
Coal Tons.	80,0 0	81,628 1 1	84,000	96,340 4 7
Cotton Wool		3,925 17 9		4,383 11 5
Dye-Stuffs		4,048 11 10		6,453 8 11
Eggs Doz.	13,371	457 7 2	64,005	2,443 1 9
Fish		27,369 7 1		38,132 13 9
Fish Oil Gals.	204,155	37,026 6 6	283,158	62,297 17 10
Fish, Products of		1,067 14 2		72 8 1
Firewood Cords.		7,746 0 0	24,717	15,115 8 11
Fruit, dried		3,147 12 5		11,515 13 4
“ undried		35,731 7 9		34,395 19 9
Flax, Hemp and Tow, unmanufactured		17,292 9 6		20,270 12 11
Flour Brls.	198,210	408,936 10 4	138,100	199,320 5 0
Furs, Skins, Tails, undressed		6,922 7 4		13,707 7 11
Grain of all kinds Bush.	2,469,065	677,988 9 5	3,453,211	675,875 11 0
Gypsum		3,013 7 8		1,500 12 3
Hides and Pelts		15,000 0 0		20,000 0 0
Lard		22,884 7 4		35,533 1 4
Manures		2,998 8 9		2,774 19 11
Meal Brls.	8,600	10,023 9 3	9,900	9,178 18 10
Meat of all kinds Cwt.	108,096	254,953 7 9	158,800	354,442 13 6
Ores of Metals		1 9 2 6		1,488 0 0
Pitch and Tar Brls.	3,200	2,614 5 2	2,300	1,964 12 6
Plants and Shrubs		0,451 14 11		16,839 15 1
Poultry		482 9 5		1,735 5 2
Rags		360 5 0		217 15 0
Rice Cwt.	7,533	10,618 16 8	8,300	10,042 15 4
Seeds		30,282 0 10		16,926 5 1
Slate		7,398 8 7		5,000 11 10
Stone and Marble, unwrought		14,286 3 7		15,947 12 5
Tallow		66,632 15 9		88,880 5 7
Timber and Lumber		27,103 10 7		38,421 17 0
Tobacco, unmanufactured lbs.	719,632	17,444 18 11	536,138	26,739 1 8 10
Turpentine		720 8 0		6 18 8
Vegetables		2,933 17 11		8,514 17 4
Wool		4,914 18 9		5,205 5 9
Total		1,931,393 1 9		2,020,705 3 6

JOURNAL OF BANKING, CURRENCY & FINANCE.

CITY BANK.

ANNUAL MEETING OF THE STOCKHOLDERS.

The Annual Meeting of the Stockholders of this Institution was held at the Banking House, Place d'Armes, on Monday, 1st June.

Turton Penn, Esquire, was called to the Chair, Joseph M. Ross, Esquire, was appointed Secretary, and he was also named as Scrutineer, associated with T. M. Thompson, Esquire.

The statement of the affairs of the Institution having been explained and commented upon in the usual manner by the President, William Workman, Esq., he then proceeded to read to the Meeting the following

REPORT.

Mr. Chairman and Gentlemen:—In obedience to the provisions of the Charter, I now submit, on behalf of the Board of Directors, the annual statements of the affairs of this Institution.

During the year that has elapsed, since last I had the pleasure of addressing you, I am happy to report that the steady and unbroken prosperity of the Bank, which it was then my pleasing duty to communicate, has been uninterrupted. A remunerative, and it is believed, a safe business has been done, which has enabled the Bank, after paying a dividend of four per cent. on the first half year, and five per cent. on the half year just closed, amounting together to the sum of £25,152, to add £6,000 to the Reserve, making the balance now at the credit of that Fund, £40,578 4s. 5d., as the following synopsis, drawn from the Statements before you, will show:—

The balance at the credit of the Reserve Fund last year			
was.....	£31,653	13	5
The profits of the past year, after deducting working expenses, have been.....	36,351	17	10
			<u>£71,001 11 3</u>
From which deduct—			
Paid Tax on circulation,.....	£1,274	16	0
Paid two dividends during the year,.....	25,152	10	10
			<u>£26,427 6 10</u>
			£44,578 4 5
Deduct also, This amount written off against losses or possible losses for the year,.....	4,000	0	0
			<u>£40,578 4 5</u>

The above sum now remaining at the credit of the Reserved Fund, amounting to over 14 per cent. on the paid up capital of the Bank, after writing off £4,000 against losses or possible losses of all kinds for the year, the Board considered ample and safe to leave as a rest, and they therefore deemed it proper to respond to the views of the Stockholders, as clearly expressed at the last annual meeting, and instead of increasing further the Reserve, or declaring a bonus, they decided on the increase to 5 per cent. on the dividend payable to-day.

c. v.

In the matter of our old circulation, there is still out £9,303 10s. after 8 years constant withdrawal: £7,000 of this was written off some years ago: the balance, whatever it may end in, will be added to the Reserve Fund.

Our general circulation, from causes which will be hereafter noticed, has in common with other Banks, suffered considerable diminution during the last six months.

The New Stock, which was offered to Stockholders at last annual meeting, has all been taken up, and, as will be observed by our general statement, a considerable proportion of it has been paid up in full in advance of the regular calls.

The customary visits of inspection have been made to the Toronto Branch, and Sherbrooke Agency.

The Board have reason to be satisfied with the conduct of the present staff of officers, and with the zeal and ability of the Cashier, Mr. Macculloch.

The monetary and commercial aspect of affairs of the country demand a passing notice in a report like this present.

During the past year, an increased impetus has been given to commerce: the imports show an excess over those of the previous year of £1,874,554, and the exports of the same period also exhibit an advance of £964,639, and, £2,256,957 over the exports of 1854.

This is so far gratifying as it may be deemed as evincing an increased capacity in the powers of production of the country, an enlarged field for consumption, and it is to be hoped an increased enjoyment of the comforts and luxuries of life by the consumers.

But while it is a subject of congratulation that in Eastern Canada the legitimate wants of the mercantile community, in the article of money, have been met—that no undue pressure has existed, the stringency of the money market in Upper Canada, to which I adverted in my last Report, has apparently continued on the increase, until such exorbitant rates of interests are demanded and obtained, by private holders of money in that section of the Province, as to require very great prudence and foresight on the part of the moneyed institutions of the country.

This critical position of the money market, in a country which has been blessed with such a series of abundant wheat harvests, with unusually high prices, it is believed is not induced by any important irregularity in the true commercial relations, or in any excess of the trade of the country, but is brought about, mainly, by continued and extensive purchases of land in the Western States, and by over speculation in real estate in Western Canada, which has directed much of the capital legitimately appertaining to commercial purposes, into other than commercial channels, where it has either been withdrawn from the country or less diffused and more inactive: the circulation of the Banks is thus largely interfered with, a main source of their strength and revenue seriously impaired, and the commercial public deprived of that extent of accommodation which it is ever the desire of the Banks safely to afford them.

In all new countries, strong tendencies exist towards this species of adventure. The rapid spread of cities—the settlement of new localities, give frequent opportunities for fortunate speculations; and the brilliant success in a few cases of this kind, emboldens others to follow in the same wake; the

whole community gradually becomes infected with the rage of investment in real estate; landed property, not needed for practical purposes by the man of business, is acquired at prices far beyond those at which it is susceptible of early realization, and embarrassment ensues from the withdrawal of a large proportion of capital from its legitimate employment. To causes of this description much of the pressure for money which exists at present in Upper Canada is attributable.

And while this pressure is patent to all branches of trade, and in view of the Legislature of the country, now in session, the recent action of that body, on the subject of the usury laws, has not, it is respectfully believed, been directed in a channel to afford any relief, but the contrary. With respect to the value or price of money, it is obvious to reason, or were it not so, the experience of every person in business has proved it, that its price must fluctuate as does the value of any other commodity: the logical deduction is that its possessor will exact more for it in times of scarcity than in times of plenty. Free competition in that species of traffic, as in any other, reduces the price to its natural and just level: legislation cannot permanently prevent its reaching this level: it does, however, when it attempts to limit its price, add to its scarcity when it is most needed, and consequently only adds to its dearness.

What can be considered more absurd or more suicidal than for the law to affix a penalty for the exaction of a rate of interest on money in one country which is legally eligible in another and adjoining country. Must not the consequence of such a law be to render money more scarce in the country where such restrictions exist, by causing its withdrawal to the country that offers for its use a higher remuneration?—experience as well as reason show that such must be the effect. The usury laws, then, are injurious to the cause they affect to promote. They punish and especially injure the small capitalist or poor man, by adding to the difficulty of procuring money in an open market when most needed. The Banks being tied to one price, of course will select the strongest paper; but other parties requiring money for their business, will, in spite of banks or legislation, pay for it; and, thus debarred from obtaining it openly through the legitimate channels, the Banks, a large class of industrious and most deserving traders are forced to resort to private money lenders, who too often make a trade of their necessities, and having an illicit market to themselves, profit by the want of competition, and also exact compensation for the risk incurred in violating the law. In every way trade suffers by this legal restriction on the use of property; and more especially does the poorer applicant for Bank accommodation suffer, since it is plain that in all cases the larger and more wealthy customers of the Bank will have preference, to the exclusion of other paper, which, although safe, and might be accepted at a little higher rate of discount, the Banks are compelled to reject, under the absurdity of the law which puts all qualities of paper at one price.

These remarks are intended to show the impolicy of the special exceptions made of the Banks in every measure brought into Parliament with a view to the relaxation of the Usury Laws. Nothing can be more unwise or unfair than this distinction: it proceeds apparently on the false assumption that money invested in Bank stock is not entitled to the same protection or extent of freedom in its trading operations as capital in the hands of private indi-

viduals; that the interests of the Banks and the public are antagonistic. They are the reverse.

The same feeling towards banking capital is manifest too in the frequent attempts by legislation to interfere with vested rights of charters, and to impose additional restrictions of burthens beyond those in the original charter in the management of Banking Institutions. It has been proposed that the Banks shall be compelled to do what no mercantile institution was ever asked to perform; that is to provide funds at every one of their places of business to meet their promises to pay at some one specified locality only. It must be evident that no banking or other establishment could afford to meet such provision.

Again, it has frequently been attempted to restrict the agency on the collection of bills to $\frac{1}{4}$ per cent., however distant or isolated the place may be where such bills mature. As in many cases the actual interest upon the time required to make returns of such collections would exceed the amount of commission proposed to be allowed, to say nothing of the risk of transmission, postage, and actual labour in making the necessary entries, it is clear that should any attempt to restrict the charge for the performance of this duty to a quarter per cent. be successful, the banks would have no other alternative than to decline all such business, and thus inflict on the mercantile community a very serious inconvenience.

The Board have deemed it expedient to refer to these matters at some length, because they are intimately connected with the prosperity of this institution, and because they respectfully believe that if they were better understood, and more pains taken by the Banks to diffuse correct opinions regarding them, different results would follow the action of our Legislature in all questions relating to money and our moneyed institutions. The Usury Laws would not be maintained for the protection of the wealthy, the gain of private money lenders, and the injury of the moderate capitalist and poor man. The charters of our Banks, granted in good faith, and looked upon by those who place their money in Bank Stocks as vested rights, would not be considered as subject to be tampered with and changed according as the views of politicians or statesmen may vary. The Board respectfully claim for these Charters exemption from such interference during the space of time for which they are granted. They are vested rights, conferred upon certain conditions; and so long as these conditions are honorably adhered to by the Banks, the Charters should in all equity be regarded as inviolable and not susceptible of innovation or change.

Finally, it is admitted on all hands that our present Banking capital is quite insufficient for our mercantile necessities; and that to retain capital in the country, or to invite the establishment of more Banks, with increased Foreign Capital, would be a wise and beneficial policy. And, while on this head, public sentiment is unanimous, and our commerce suffers from a short supply of money, obsolete Usury Laws are maintained, which drive capital away, and a spirit of interference and disquiet manifested towards the Banks, which would induce any Foreign Capitalist to suppose that our Legislature viewed these Institutions as inimical to the solid prosperity of the country. The whole nevertheless respectfully submitted. WM WORKMAN, President.

Resolutions were then unanimously passed tendering the thanks of the meeting to the President and Directors for their attention to the interests of

The Public Debt of Canada on the 31st December, 1856.

		£	s.	d.	£	s.	d.
Chargeable against Public Works	{ Imperial guarantee loan	1,825,000	0	0	4,703,303	14	7
		2,196,897	15	3			
		681,405	19	4			
Chargeable against Special Funds	{ Upper Canada Building Fund	30,000	0	0	117,007	9	10
		55,757	9	10			
		24,250	0	0			
		7,000	0	0			
Loans on the guarantee of the Province	{ Railroad Companies	5,300,408	6	8	5,383,178	6	8
		Quebec Loan	82,770	0				0
Specially chargeable against Municipalities	{ Municipal Loan Fund, U. Canada	1,771,665	6	8	1,985,915	6	8
		Do do L. Canada	214,250	0			
Total Debts					£12,189,404	17	9

PUBLIC DEBT OF UPPER CANADA, ON 10TH FEBRUARY, 1841.

Provincial Debentures (in the Province)	£213,671	11	2
Do do (in England)	932,065	11	1
Balance due to London Agents	35,106	3	2
Do Provincial Banks	26,000	0	0

Total Currency £1,206,833 5 5

The above Debt was contracted on account of the following Public Works and Loans to Incorporated Companies, up to 31st December, 1841, viz.:

Welland Canal	£462,856	18	10
St. Lawrence Canals	440,097	11	0
Provincial Penitentiary	44,198	15	1
Inland Waters and Trent Navigation	45,014	11	7
Roads and Bridges, Upper Canada	15,955	3	5
Kettle Creek Harbour	7,500	0	0
Kingston Hospital	3,000	0	0
Parliament Buildings, Toronto	5,000	0	0
Toronto Harbour	5,200	0	0
Loans to Incorporated Companies	282,009	19	0

Total, Currency £1,310,832 18 11

PUBLIC DEBT OF LOWER CANADA, ON 9TH FEBRUARY, 1841.

Service for which the Debt was contracted.

For enlarging and improving the Harbour of Montreal	£87,175	0	0	Currency.
For completing the Chambly Canal	35,000	0	0	"
For Steam-Dredge, Montreal	1,500	0	0	"

Total Debts £123,675 0 0 "

The Public Accounts show that up to 31st December, 1841, Provincial Debentures were issued for the above amount.

Cash on hand in Upper Canada, at the time of the Union (1841)	£17,438	19	0
Do do Lower Canada, do do	15,722	4	5

Total (see Public Accounts, 1841) £33,161 3 1

Inspector General's Office,
Toronto, 22nd April, 1857.

STATEMENT OF BANKS ACTING UNDER CHARTER

CAPITAL.			LIABILITIES.			
NAME OF BANK.	Capital authorized by Act.	Capital paid up.	Promissory Notes in circulation not bearing interest.	Balance due to other Banks.	Cash Deposits not bearing interest.	Cash Deposits bearing interest.
Quebec Bank	\$ 1,000,000	\$ 964,710	\$ 650,585	\$ 35,963 63	\$ 239,792 97	133,883 48
City Bank of Montreal	1,200,000	1,135,128	733,047	122,698 23	379,955 3	219,757 10
Bank of Montreal	6,000,000	5,509,740	3,276,970	301,254 32	1,758,101 43	928,480 83
Commercial Bank of Ca.	4,000,000	3,298,486	1,323,888	570,687 37	788,042 32	629,966 62
Bank of Upper Canada	4,000,000	2,934,960	2,995,606	1,550,131 58	1,158,520 27	276,936 5
Banque du Peuple	1,200,000	859,725	507,346	65,925 87	237,307 33	463,432 23
Molson's Bank	1,000,000	601,558	410,661	19,958 42	167,770 57	53,208 73
Zimmerman Bank	1,000,000	453,560	307,757	109,390 27	133,423 67	227,518
Niagara District Bank	1,000,000	219,420	219,373	7,157 73	65,034 5	18,480 55
Bank of Toronto	2,000,000	318,376	374,338	15,561	35,160 85	190,333 87

14th May, 1857.

Statement of Assets and Liabilities of Banks issuing Notes under the Free

ASSETS.					
NAME OF BANK.	Debentures deposited with the Receiver General.	Real Estate.	Furniture and other Assets.	Debts due by other Banks, and Notes of other Banks.	Bills Discounted.
	\$ cts.	\$ cts.	\$ cts.	\$ cts.	\$ cts.
(a) Bank of British N. America	682,833 33				
(b) Zimmerman Bank	40,000 00	.....	.....	.....	.....
(b) Niagara District Bank	63,000 00	.....	.....	.....	.....
(b) Molson's Bank	19,000 00	.....	.....	.....	10,680 63
Provincial Bank	120,000 00	1,000	4,551 80	.....	35,923 87
Bank of the County of Elgin	100,000 00	.....	1,328 00	2,258 35	82,227 55

(a) Issues \$1 and \$2 Notes only under the above Act.

(b) Acting also under Charter, and withdrawing their Registered Notes from Circulation.

CHAS. CAMBIE, Registrar.

14th May, 1857.

FOR THE MONTH OF APRIL, 1857.

Total Liabilities.	ASSETS.							Total Assets.
	Coin and Bullion.	Landed or other Property of the Bank.	Government securities.	Promissory Notes or Bills of other Banks.	Balance due from other Banks.	Notes & Bills discounted & other debts due to the Bank not included under the foregoing head.		
\$1,060,230 8	\$ 97,220 25	\$ 14,000	\$	\$34,314 93	\$23,760 93	\$	1,943,969 62	\$2,114,265 83
1,465,457 37	206,531 92	34,000	176,438 35	97,788 1	36,609 8		2,281,059 73	2,832,427 20
6,264,808 58	792,248 7	261,803 17	532,800	126,682 63	661,870 98		10,364,703 23	12,770,108 8
3,312,584 32	490,534 8	156,560 67	363,000	171,936 71	392,626 37		5,688,926 45	7,265,584 27
5,981,194 90	399,043 48	126,018 27	741,713 15	257,820	252,201 30		7,727,237 88	9,404,039 8
1,214,071 23	114,700 22	57,916 17	87,097 60	35,402 78	27,223 75		1,924,325 32	2,246,065 78
651,598 72	47,415 98	19,611 63	200,000	23,716 17	31,783 4		953,946 31	1,276,473 13
778,388 93	13,573 15	1,463	40,000	21,973	45,579 87		1,124,428 58	1,247,017 60
355,045 33	26,149 43	1,826 33	165,253 33	12,147 5	20,326 72		462,971 23	628,654 10
616,393 72	57,831 82	. . . . .	78,003	33,039 10	36,937 13		760,655 83	960,483 88

JOHN LANGTON, Auditor.

Banking Act, to 30th April, 1857, (13th & 14th Vic., Cap. 21, &c., &c., &c.)

LIABILITIES.							
Debts due by Individuals.	Specie in Vaults.	Total Assets	Notes in Circulation.	Deposits.	Debts due to other Banks.	Other Liabilities.	Total Liabilities.
\$ cts.	\$ cts.	\$ cts.	\$ cts.	\$ cts.	\$ cts.	\$ cts.	\$ cts.
.....	.....	662,833 33	396,569 00	.....	.....	.....	326,559 00
.....	.....	40,000 00	.....	.....	.....	.....	40,000 00
.....	.....	63,000 00	.....	.....	.....	.....	63,000 00
13,558 85	.....	43,239 28	9,603 00	.....	.....	.....	9,603 00
78,806 89	5,117 44	245,400 00	120,000 00	5,400 00	.....	.....	125,400 00
5,056 12	8,033 25	198,913 47	74,437 00	22,945 78	1,101 7	.....	98,483 85

JOHN LANGTON, AUDITOR.

The Origin of Stock-Jobbing in England.

It was about the year 1688, that the word stock-jobber was first heard in London. In the short space of four years a crowd of companies, every one of which confidently held out to subscribers the hope of immense gains, sprang into existence; the Insurance Company, the Paper Company, the Lute-string Company, the Pearl Fishery Company, the Glass Bottle Company, the Alum Company, the Blythe Coal Company, the Sword Blade Company. There was a Tapestry Company, which would soon furnish pretty hangings for all the parlors of the middle class, and for all the bed chambers of the higher. There was a Copper Company, which proposed to explore the mines of England, and held out a hope that they would prove not less valuable than those of Potosi. There was a Diving Company, which undertook to bring up precious effects from shipwrecked vessels, and which announced that it had laid in a stock of wonderful machines which resembled complete suits of armor. In front of the helmet was a huge glass eye like that of a cyclop; and out of the crest went a pipe through which the air was to be admitted.

The whole process was exhibited on the Thames. Fine gentlemen and fine ladies were invited to the show, were hospitably regarded, and were delighted by seeing the divers in their panoply descend into the river and return laden with old iron and ships' tackle. There was a Greenland Fishing Company, which could not fail to drive the Dutch whalers and herring busses out of the Northern Ocean. There was a Tanning Company, which promised to furnish leather superior to the best brought from Turkey and Russia. There was a society which undertook the office of giving gentlemen a liberal education on low terms, and which assumed the astounding name of the Royal Academies Company. In a pompous advertisement it was announced that the Directors of the Royal Academies Company had engaged the best masters in every branch of knowledge, and were about to issue twenty-thousand tickets at twenty shillings each.

There was to be a lottery; two thousand prizes were to be drawn; and the fortunate holders of the prizes were to be taught, at the charge of the Company, Latin, Greek, Hebrew, French, Spanish, conic sections, trigonometry, heraldry, japanning, fortification, book-keeping, and the art of playing on the theorbo. Some of these Companies took large mansions, and printed their advertisements in gilded letters. Others, less ostentatious, were content with ink, and met at coffee houses in the neighbourhood of the Royal Exchange. Jonathan's and Garraway's were in a constant ferment with brokers, buyers, sellers, meetings of directors, and meetings of proprietors. Time-bargains soon came into fashion. Extensive combinations were formed, and monstrous fables were circulated, for the purpose of raising or depressing the price of shares.

Our country for the first time witnessed those phenomena with which a long experience has made us familiar. A mania, of which the symptoms were essentially the same with those of the mania of 1720, of the mania of 1825, of the mania of 1845, seized the public mind. An impatience to be rich, a contempt for those slow but sure gains which are the proper reward of industry, patience and thrift, spread through society. The spirit of the coggng dicers of Whitefriars took possession of the grave Senators of the

City, Wardens of Trades, Deputies, Aldermen. It was much easier and much more lucrative to put forth a lying prospectus announcing a new stock to persuade ignorant people that the dividends could not fall short of twenty per cent, and to part with five thousand pounds of this imaginary wealth for ten thousand solid guineas, than to load a ship with a well chosen cargo for Virginia or the Levant. Every day some new bubble was puffed into existence, rose buoyant, shone bright, burst, and was forgotten.

The new form which covetousness had taken, furnished the comic poets and satirists with an excellent subject; nor was that subject less welcome to them because some of the most unscrupulous and most successful of the new race of gamesters were men in sad-colored clothes and lank hair, men who called cards the devil's books, men who thought it a sin and a scandal to win or to lose two pence over a backgammon board. It was in the last drama of Shadwell that the hypocrisy and knavery of these speculators was, for the first time, exposed to public ridicule. He died in November, 1692, just before the Stock jobbers came on the stage; and the epilogue was spoken by an actor dressed in deep mourning. The best scene is that in which four or five stern Nonconformists, clad in the full Puritan costume, after discussing the prospects of the Mousetrap Company and the Fleakilling Company, examine the question whether the godly may lawfully hold stock in a company for bringing over Chinese rope dancers. "Considerable men have shares," says one austere person in cropped hair and bands; "but verily I question whether it be lawful or not."

These doubts are removed by a stout old Roundhead colonel, who had fought at Marston Moor, and who reminds his weaker brother that the saints themselves need not see the rope-dancing, and that, in all probability, there will be no rope-dancing to see. "The thing," he says, "is like to take; the shares will sell well; and then we shall not care whether the dancers comes over or no." It is important to observe that this scene was exhibited and applauded before one farthing of the national debt had been contracted. So ill-informed were the numerous writers who, at a later period, ascribed to the national debt the existence of Stock-jobbing, and of all the immoralities connected with stock-jobbing. The truth is, that society had, in the natural course of its growth, reached a point at which it was inevitable that there should be stock-jobbing whether there were a national debt or not, and inevitable also, that, if there were a long and costly war, there should be a national debt.—*Macaulay's History of England.*

British Post Office Returns—Money Orders.

A report has just been published of the ramifications of the British Post Office. No Government Institution conveys a more graphic or diversified view of the social state of the nation than that which keeps up a daily communication between the inhabitants, or affords a finer example of the powers of combination and distribution. If a nation were studied under a single phase, perhaps that of its Post Office would be the most instructive, for it is the great wheel which keeps all the smaller wheels in perpetual motion. Within the United Kingdom the mails are conveyed 61,000 miles daily, being an increase over 1855 of 2,600 miles. Still more than half the duty of carrying letters falls on coaches, omnibuses and mail carts, in spite of the exi-

tence of Railways. Of these latter there are for Postal purposes 28,692 miles, and 32,721 are earthen roads. The number of letters delivered in the United Kingdom in 1856 was 478,000,000, being an increase of 22,000,000, or $4\frac{3}{4}$ per cent on 1855. In 1839, before the Penny Postage was established, the delivery was only 76,000, so that the increase has been six fold; but the whole of this must not be ascribed to the reduced and uniform rate, as something is due to the increase of population, and the spread of education. Comparing the letters delivered with the recipients, it appears that each person in England, of course on an average, received twenty letters annually; in Scotland 16; and in Ireland 7. Colonial and other letters form only one-fiftieth of the total deliveries.

There are now dependent on the Post Office 2,095 Money-Order Offices. The amount sent through them is really astonishing, and acts like an expansion of currency in a great degree.

1856. In England and Wales.....	£10,099,336
“ Scotland,.....	899,253
“ Ireland,.....	806,942

£11,805,561

The sums that are transmitted are generally less than 40s. each, and the total number of orders exceeds 6,000,000; the working classes, therefore, have chiefly benefitted by the system. During the Russian war, offices of this character were established at Constantinople, Scutari, and Balaklava, from which the soldiers and sailors sent home £71,090, and the Army Work Corps £35,000. The remittances from the camp at Aldershot during 1856 amounted to more than £22,000, the average amount from each soldier being only one pound, one shilling and four pence. If it be true that “history is philosophy teaching by examples,” and that we only grow wise by the lessons of experience, these statistics of an old country, trying a new experiment, cannot fail to interest studious and thoughtful men in Canada. The gross revenue for the Department in 1856 was £2,867,954, being an increase on the year as compared with 1855, of £150,000. The expenditure was £1,673,566, leaving a nett profit of £1,200,000; but it is nearly absorbed by the sum paid to the great lines of packet ships, in the way of encouragement or guarantee against loss, which connect England with North America, the West Indies, Brazil, India, China, and Australia.

Rates of Interest in Wisconsin and Illinois.

In Wisconsin the legal rate of interest is 10 per cent., but 12 per cent may be collected except by the Banks, and is the usual rate for other purposes. The penalty for higher than those rates is simply a forfeiture of the interest charged. This may help to explain why money is moving west.

At the recent session of the Legislature of Illinois, a law was passed fixing for the legal rate of interest in that State at 8 per cent.; but in any contract, written or verbal, 10 per cent may be collected; and any person or corporation who receives or stipulates to receive over 10 per cent, shall forfeit the whole interest.

Why Money is Scarce and Business Dull.

The following remarks on this subject, which we find in a late number of the *Albany Argus*, are not inapplicable to Canada at the present time, although, fortunately, land has not yet depreciated in value in consequence:—

“ It is undeniable that in every portion of this State, except in the city of New York, where capital naturally concentrates, there is a very considerable pecuniary pressure. It can hardly be said that any severe or general distress on this account prevails. The evil is not to that extent. But there is an uncomfortable tightness in the money market. Those who want funds for legitimate purposes find some difficulty in procuring them, even on undoubted security. There seems to be a lack of capital to supply the demand for it which regular business-purposes present.

Another evil of the interior of the country, now experienced, is to a large extent the result of this pecuniary stringency, but perhaps to a larger extent the result of the same causes which have rendered money scarce. We allude to the general stagnation of business, as compared with the activity which prevailed a few years ago. This, we suspect, is felt in most force in the villages of the State, and in the villages of the interior. There is in most of them a falling off in the briskness of trade, in the demand for mechanical labour, consequent upon less building than formerly; and, as a natural result of all this, both the demand and the price for real estate have decreased.

The last remark applies also to the country, strictly so called; we mean to the farming lands of the State. Although there is no reasonable ground of complaint that agricultural products are not sufficiently high and quick of sale, it is nevertheless true, that in most sections of this State, farming lands have depreciated in value at least twenty-five per cent. within the last four years. It may be that farmers well to do in the world ask no less for their farms, and value them no less in their inventories; but lands subjected to the test of a sale would prove the truth of our remarks. There is less demand for agricultural lands—there are few purchasers in the market, and, of course, the price falls.

It is useful to understand the cause of those things, because lessons for the future may thus be gathered. Perhaps many of our readers will reply that the cause is obvious—that we had lived too fast—that business had been overdone in our villages—that merchants had overtraded—all classes had built too many houses, stores and other tenements—that farmers had become infatuated in relation to the value of lands, and that everybody had been extravagant in their expenditures, and that the present state of things is but the natural reaction following upon the heels of extreme expansion.

We admit that there is doubtless much truth in all this; as, in a season of general prosperity, it is almost a matter of course for people to live too fast, and to forget that a revulsion is possible. But we do not find in these reasons a satisfactory solution of the problem. We are not convinced that it can be said with truth—looking at things as they existed four or five years ago—that our merchants in our interior villages and cities then overtraded—that more new buildings were erected than the apparent wants and requirements of society then demanded—that village and city lots were extravagantly inflated, or that farming lands were current at prices above their

value, as tested by their present and prospective productiveness. We, in fact, seriously doubt whether our people were more crazy then, than they have since been and now are.

The great explanation of the unfavorable change, not only in this State, but in all the Eastern States, which has occurred within a few years, is to be found, according to our judgment, in the rush of emigration and capital from these States westward. We wish the aggregate of men and money which has launched upon this sea of adventures within the last few years could be known. It is immense. The former may be counted by thousands, and the latter by millions. Looking at our own State only, the rush from every city, village and rural town has been like that which the preaching of Peter the Hermit rolled in such a mighty volume towards the Holy Crusades. Merchants have left their counters, lawyers their books and briefs, mechanics their workshops, speculators their corner lots, small farmers their ancestral patrimonies, usurers their petty note-shaving; and all have hastened to El Dorado, where the true philosopher's-stone could be found which was to convert their savings into golden fortunes. We need not explain how seriously this exodus has weakened the communities from which it has gone forth. It has operated like continued bleeding upon a healthy and strong man, constantly draining away his life's blood, and keeping him weak and sickly. Most of these emigrants have carried away considerable sums of money—many of them large amounts. But the capital which has gone West has not by any means all been carried by emigrants seeking a home in that promised land. There has been a mania for investment at the West in the railroad stocks and lands, in town lots, in farming lands, and on loans, at fabulous rates of interest. It has raged, not exclusively among the capitalists of our large cities, but has seized the money-lenders throughout the interior. Every man having a thousand dollars in cash has been uneasy until he could invest it in ten shares of Western railroad stock, or in a railroad bond at 20 per cent discount, or in a lot in some projected city west of the Mississippi, or north of the Falls of St. Anthony, or on a mortgage at 12 per cent interest. The aggregate of men and money thus withdrawn from the East is amply sufficient to explain the pecuniary stringency and the general dullness in business now so generally complained of in the interior.

It does not fall within the purpose of this article to discuss the wisdom of these western investments, or their probable ultimate fate, or their productiveness in the long run as compared with investments at a lower rate of interest, or in a regular business in the old States. These topics furnish food for reflection, and may invite our attention hereafter. Our present object has been simply to point out what we regard as the real, efficient cause of the present poverty of the country, in the Atlantic States, in ready cash means; and we think most reflecting men will agree that we have indicated the true source of the evil."

Decimal Currency.

The Canadian Banks have unanimously agreed to keep their accounts in DOLLARS and CENTS after the first of January, 1858; and they at the same time recommend that the same system of Accounting should be generally adopted throughout the country. (*See advertisement.*)

Comparative view of the Public Debt of the States of the American Union, made up to July, 1856:—†

STATES.	Absolute Debt.	Contingent Debt.	Total Debt.	Annual Int. on Absolute Debt.	Amount of School Fund	Other Productive Property.	Other Prop. not now Productive.	Ordinary annual exp'ture ex'c'ive of Dis. & Sch'ls
Maine.....	\$685,500		\$685,500	\$4,130	\$125,281	\$648,289		\$150,000
New Hampshire.....	None.		None.		None.	None.		80,000
Vermont.....	None.		None.	100,000	None.	None.		100,000
Massachusetts.....	1,690,000	\$5,049,555	6,739,555		1,402,597	8,967,509	\$2,436,196	600,000
Rhode Island.....	None.	382,335	382,335		73,896	None.		55,000
Connecticut.....	None.		None.		2,049,953	406,000		120,000
New York.....	25,127,898	920,000	26,047,898	1,352,000	6,708,333	38,810,000		750,000
New Jersey.....	65,000		65,000	3,900	401,304	957,174		90,000
Pennsylvania.....	40,613,160		40,613,160	2,011,517	435,000	35,660,667	764,670	423,000
Delaware.....	None.		None.		None.	350,638		11,000
Maryland.....	10,852,577	4,280,332	15,132,909	570,000	161,867	12,555,842	14,748,392	170,000
Virginia.....	24,705,479	3,598,500	28,603,979	1,456,072	1,153,666	5,365,382	21,865,468	6,000
North Carolina.....	3,169,633		3,409,633	200,000		600,000		75,000
South Carolina.....	1,866,274		2,917,696	99,087		5,460,291		115,000
South Carolina.....	2,644,222	1,051,422	2,644,222	158,653	23,088	5,000,000	250,000	131,000
Georgia.....	None.		None.					45,000
Florida.....	6,168,887		6,168,887	310,000	1,076,818	700,000		100,000
Alabama.....	2,271,707	5,000,000	7,271,707	136,000				136,000
Mississippi.....	3,839,222	8,630,128	12,469,350	250,000	461,269		2,000,000	515,000
Louisiana.....	12,436,991		12,436,991				2,416,938	110,000
Texas.....	1,506,017	1,813,579	3,319,596	82,800				35,000
Arkansas.....	3,992,857	4,752,000	8,744,857	219,621	584,060	2,244,827		165,000
Tennessee.....	6,147,284		6,147,284	360,000	1,400,270			250,000
Kentucky.....	16,002,959		16,002,959	977,810	5,000,000	18,000,000		200,000
Ohio.....	3,213,245		3,213,245	200,000	1,384,288			125,000
Michigan.....	7,338,473		7,338,473	316,000	2,559,308			80,000
Indiana.....	13,994,615		13,994,615	839,000	799,083			125,000
Illinois.....	802,000	9,000,000	9,802,000	47,805	575,668	378,538		110,000
Missouri.....	70,396		70,396	7,600	1,000,000			25,000
Wisconsin.....	100,000		100,000	8,900	1,141,804	68,571		40,000
Iowa.....	1,812,502		1,812,502	120,000	463,360			700,000
California.....								
Total.....	\$ 192,026,298	44,767,851	236,794,149	9,866,995	29,179,871	134,878,928	44,802,699	6,217,000

Debt of the United States (Federal Government) at 1st January, 1857, \$30,963,909.

In contrast with the above the debt of Canada assumes large dimensions, being, on the 31st December, 1856, no less than \$48,757,616.

† We are indebted for this table to a very valuable work lately published in England, entitled "Fortune's Epitome of the Stocks and Public Funds,"—kindly sent us by Isaac Buchanan, Esq.

JOURNAL OF INSURANCE.

INSURANCE COMPANIES DOING BUSINESS IN CANADA.

CANADIAN OFFICES.	HEAD OFFICE.
Canada Life Assurance Company.....	Hamilton.
British America Fire and Marine Insurance Company.....	Toronto.
Provincial Fire and Marine Insurance Co.....	do.
Western Fire and Marine Assurance Co.....	do.
Provident Life Assurance and Investment Co.....	do.
Erie and Ontario Fire and Marine Ins. Co.....	Niagara.
Montreal Fire and Marine Ins. Co.....	Montreal.
Montreal Mutual Fire Ins. Co.....	do.
Cobourg Mutual Fire Ins Co.....	Cobourg.
Home District Mutual Ins Co.....	Toronto.
British America Friendly Society.....	Montreal.
Niagara District Mutual Fire Ins Co.....	St. Catharines

ENGLISH OFFICES.

- Monarch Fire and Life Insurance Company, (London).—Directors twelve eminent, and connected with the wine trade and hotel keepers ; highly respectable and great influence. Liberally conducted as to life. Extensive Fire business. Enjoys a fair share of public confidence. Home and foreign agencies. Founded 1835.
- Royal Fire and Life Insurance Company, (Liverpool).—Directors, twenty-two, Liverpool ; and nine, London. Of great influence, mercantile and monetary. Careful selection of sound lives. The future not made to pay for past provisional, or other early expenses. Rapidly rising. Founded 1845.
- Phoenix Fire Insurance Company, (London).—Directors, twenty. London merchants, bankers, and others, of high position. The largest fire office next to the Sun. Enjoys a reputation for prompt settlement of claims. Rates as usual in first class offices. Extensive home and foreign agencies. Founded 1782.
- Liverpool and London Fire and Life Insurance Company, (Liverpool).—Directors, Liverpool, twenty-one ; London, eleven ; powerful representation of the trade of the two ports. Rapidly progressing. Board at Sidney. Extensive foreign agencies. Founded 1836.
- Equitable Fire Insurance Company, (London).—Directors eleven, high standing. Rates exceedingly moderate. Return of £50 per cent on all policies of three years standing. Founded 1842.

ENGLISH OFFICES.

- Britannia Life Insurance Company of (London).—Directors, . . .
 Founded 1837. Has a proprietary branch as well as a mutual.
 Profits divided annually. Reduction on premiums in 1854, of 30
 per cent.
- Colonial Life Assurance Company, (Edinburgh).—Directors, twelve.—
 Eminent professional men and merchants. European rates ex-
 tended to the principal Colonies, (see Prospectus.) Claims settled
 in Colonies and at home. Great facilities for Colonial assurers.
 Founded 1846.
- Eagle Life Insurance Company of (London,) England.—Directors, twelve,
 professional and merchantile men in high position. Divides all
 profit less £20 per cent. Registers assignments of policies. High-
 ly successful and prosperous. Founded 1807.
- International Life Assurance Company, (London).—Directors, ten. Sur-
 renders (of policies on the withdrawal system,) secure to Policy
 holder one-half of the sum total of the premium paid. Well
 established. Founded 1838.
- Professional Life Assurance Company, (London).—Directors, ten. Rates
 of premium extremely moderate. Founded 1847.
- Unity Fire and Life Assurance Company, (London).—Directors, nine ;
 miscellaneous ; with boards in the provinces. Upwards of 2,000
 shareholders ; shares being small in amount, and widely distri-
 buted. Rapid progress in business. Petitions for repeal of fire
 duty. Founded 1852.—Life Branch separated with eleven
 Directors. Founded 1854.
- Beacon Fire and Life Insurance Company, (London).—Directors, eleven, of
 position and character. Founded 1852. Undertakes nothing
 novel ; adopts the mutual principle, with the security of a guaran-
 teed capital.
- Anchor Fire Insurance Company, (London)—Directed by ten members,
 professional and commercial. Founded 1842. Are about to invest
 £20,000 in Canadian Securities for further security of Insurers here.

UNITED STATES OFFICES.

HEAD OFFICE.

Great Western Fire and Marine Ins. Co.	Philadelphia.
Ætna, Fire, Life and Marine Ins. Co.	Hartford.
Home Ins. Co.	New York.
Connecticut Mut. Life Ins. Co.	Hartford.
Farmers and Mechanics' Ins. Co.	Philadelphia.
Continental Ins. Co.	do.
Exchange Mut. Ins. Co.	do.
Mutual Life Ass. Co.	New York.
Mutual Benefit Life Ins. Co.	Newark.
North-Western Fire and Marine Ins. Co.	Oswego.
Pacific Mutual Ins. Co.	New York.
Buffalo Fire and Marine Ins. Co.	Buffalo.
Star Fire Insurance Co.	Ogdensburgh

Fire-Walls on Buildings.—Reduction of Premiums.

The Fire Insurance Companies of this city [New-York], have determined to make a reduction of five per cent. from the premiums heretofore charged on such stores and warehouses (including contents) as have parapets or fire-walls erected at not less than five feet above the roofs, so as to protect more effectually the roofs and skylights in case of the burning of adjacent buildings. In consequence of this reduction in the premiums, nearly all new buildings are having their walls run up to the additional height proposed, and alterations are making upon a large number of old buildings. In the walls are left holes to let through the hose of engine companies, so as to play water easily upon buildings adjacent in case of fire.—*U. S. Insurance Gazette.*

JOURNAL OF MANUFACTURES.

Sugar Manufactures.

The quantity of maple sugar manufactured this season has been very large both in Canada and the neighbouring states.

The Brockville *Recorder* gives a list of twenty-one persons residing in the Second and Third Concessions of the surrounding country, and within a few miles of each other, whose aggregate manufacture of Maple Sugar during the present season was 14,140 lbs.—averaging from 100 to 1,100 lbs. each.

“This quantity,” says the *Recorder*, “at seven pence per pound, at which we believe it could be readily sold, would amount to £406 8s 4d, not a little item for one article alone, manufactured by twenty-one persons during the few days allotted to the running of sap.”

The Value of Iron.

The *British Quarterly Review* gives the following curious and instructive calculation:—

A bar of iron, worth one pound sterling, is worth, when worked into—

Horse shoes,	-	-	-	-	-	-	£1 10s.
Table knives,	-	-	-	-	-	-	36 0
Needles,	-	-	-	-	-	-	71 0
Penknife blades,	-	-	-	-	-	-	657 0
Buttons and buckles,	-	-	-	-	-	-	897 0
Springs of watches,	-	-	-	-	-	-	50,000 0

A piece of cast iron, worth one pound sterling, is worth, when converted into—

Machinery,	-	-	-	-	-	-	£4
Ornamental works,	-	-	-	-	-	-	45
Buttons and Berlin works,	-	-	-	-	-	-	600
Neck chains,	-	-	-	-	-	-	1,386
Shirt buttons,	-	-	-	-	-	-	5,896

Thirty-one pounds of iron have been made into wire upwards of 111 miles in length.

WHISKEY MANUFACTURES.

Return of the quantity of Proof Spirits manufactured by the various Distilleries in Canada, during the years 1855-6.

The quantity of grain used has not been furnished, as the accounts of the Revenue Inspectors do not show it.

COUNTIES.	No. of Distilleries	Gals. manufactured in 1855.	Gals. manufactured in 1856.
Brant,	7	139,592	173,181
Carleton,	2	3,014	12,380
Durham,	8	114,646	113,237
Essex,	1	22,984	24,945
Frontenac, Lennox and Addington,	7	157,006	161,107
Hastings,	7	149,817	230,737
Huron and Bruce,	3	8,206	9,451
Haldimand,	3	32,692	29,714
Kent,	4	13,790	15,076
Lincoln and Welland,	9	24,473	158,867
Leeds and Grenville,	5	204,652	234,712
Lanark and Renfrew,	2	754	2,387
Middlesex, 1st Div.,	13	31,795	52,054
" 2nd Div.,	9	49,219	52,539
Northumberland,	3	106,057	119,254
Norfolk,	6	48,822	94,539
Oxford,	6	51,906	36,415
Prince Edward,	1	15,370	6,480
Peterboro' and Victoria,	3	2,041	2,527
Perth,	7	6,695	3,254
Stormont, Dundas and Glengarry, .....	....	No ret'ns made	998
Simcoe,	2	2,201	No ret'n made
Wentworth and Halton,	2	107,941	63,375
Wellington and Grey,	8	110,177	160,916
Waterloo,	11	277,721	280,238
York and Peel, Centre Div.,	3	138,669	381,776
" " East Div.,	12	55,495	9,453
" " West Div.,	6	51,775	19,001
Montreal, 1st Div.,	2	108,806	157,193
" 2nd Div.,	6	642,874	661,575
Total No. Gallons,		2,679,200	3,267,381
Total No. of Distilleries.....	158		

INSPECTOR GENERAL'S OFFICE, TORONTO, May 9th, 1857.

RAILWAY RETURNS.

Receipts of the Great-Western Railway, for four weeks ending 29th May, 1857.

Amount for Passengers	\$139,116. 29
" Freight	59,761. 29
" Mails and Sundries.....	8,660. 00

\$207,537. 58

Receipts of the Grand-Trunk Railway.

For the week ending	28th	March,	1857	.....
"	"	4th	April,	"	.....
"	"	11th	"	"	..... \$55,496. 00
"	"	18th	"	"	.....
"	"	25th	"	"	.....
"	"	2nd	May,	"	..... \$46,001. 91½
"	"	9th	"	"	.....
"	"	16th	"	"	..... \$43,771. 29
"	"	23rd	"	"	..... 43,705. 31½
Total in Four Weeks.....					\$188,974. 52

Receipts of the Ontario, Simcoe, and Huron Railroad for the month of May, 1857.

Amount for Passengers.....	\$11,291 10
" Freight.....	17,649 52
" Other Sources.....	1,445 97
Total.....	\$29,786 59

Number of Passengers... 10,529.
 Tons of Freight..... 7,125½

N. B.—Our table of Railway Returns is as yet very imperfect. Railway Companies whose earning are not reported would oblige by furnishing us with them as early in the month as possible. We trust soon to be able to present our readers with the monthly returns of every railway in Canada.—
 Ed. C. M. M.

MONTREAL AND OTTAWA RAILROAD.

The section of this unfortunate Railroad between Carillon and Grenville is again in operation, having commenced running on the 2nd of May. We regret to notice, however, that complaints are made that inconvenient delays in running the trains are of frequent occurrence, to the great annoyance of travellers by this otherwise pleasant and agreeable route. We trust these things will be remedied before the summer travel commences, as the trip up the Ottawa is one of great interest to tourists; and were it not for the inconvenience caused on this part of the road, would undoubtedly be largely patronized.

Brockville and Ottawa Railway.

The difficulties between the Town Council of Brockville and the Board of Directors of the Brockville and Ottawa Railway Company are at last settled, and Brockville has consented to pay up its proportion, withheld, of the work done by the contractors. The company has also agreed with the Messrs. Dale, of England, whose agent is now in Canada, upon the terms of a contract for finishing the road from Brockville to Pembroke, and supplying it with plant and rolling stock, on very favorable terms. There seems now no doubt that the road will be constructed and brought into operation in a short time.—*Ottawa Citizen.*

BANK NOTE REPORTER.

BANK OF BRITISH NORTH AMERICA.

HEAD OFFICE—London, England. Alexander Green Dunlop, *Secretary*.
Head Office in the Colonies—Montreal. T. Patton, *Gen. Manager*.

		DISCOUNT IN	
		Montreal.	Toronto.
BRANCH at	Montreal.	Robert Cassels, Manager	par par
"	"	Brantford. James C. Geddes, Mang'r	$\frac{1}{4}$ par
"	"	Halifax, N. S. W. S. Benny, Mang'r	5 5
"	"	Hamilton. R. C. Ferguson, Mang'r	$\frac{1}{4}$ par
"	"	Kingston. Samuel Taylor, Mang'r	$\frac{1}{4}$ par
"	"	London, C.W. Geo. Taylor, Mang'r	$\frac{1}{4}$ par
"	"	Quebec. F. W. Wood, Mang'r	par par
"	"	St. John, N. B. C. F. Smithers, Mang'r	5 5
"	"	St. John's, N.F.	5 5
"	"	Toronto. W. G. Cassels, Mang'r	$\frac{1}{4}$ par
Agency at	Dundas.	W. Cash, Agent	$\frac{1}{4}$ par
"	"	Ottawa. A. W. Kelly, Ag't	$\frac{1}{4}$ par
"	"	Three Rivers. Walter Scougall, Ag't	par par
Agents in	New York.	R. Bell, F. H. Grain & C. F. Smith.	
"	"	Scotland. National Bank of Scotland, and Branches.	
"	"	Ireland. Provincial Bank of Ireland, and Branches.	
"	"	West Indies. Colonial Bank.	
"	"	Australia. Union Bank, and Branches.	

COUNTERFEITS.

2's altered from 1's, are in circulation.

The Canadian Branches of this Bank receive an addition to their capital of about \$1,000,000, at certain seasons, to assist parties to make advances on produce.

BANK OF THE COUNTY OF ELGIN.

(Notes secured by deposit of Government Securities.)

Head Office—St. Thomas, C.W. Edward Ermatinger, *Mang'r*..... $\frac{1}{2}$ par
All Foreign business transacted through the Commercial Bank of Canada.

BANK OF MONTREAL.

		DISCOUNT IN	
		Montreal.	Toronto.
Head Office—	Montreal.	Hon. P. McGill, <i>President</i> .	
		D. Davidson, <i>Cashier</i>	par par
Branch at	Quebec.	J. Stevenson, Manager	par par
"	"	Toronto. H. C. Barwick, Mang'r	$\frac{1}{4}$ par
"	"	Hamilton. A. Milroy, Mang'r	$\frac{1}{4}$ par
"	"	London, C.W.	$\frac{1}{4}$ par
"	"	Brockville. F. M. Holmes, Mang'r	$\frac{1}{4}$ par
"	"	Kingston. A. Drummond, Mang'r	$\frac{1}{4}$ par
"	"	Cobourg. C. H. Morgan, Mang'r	$\frac{1}{4}$ par
"	"	Belleville. Q. Macnider, Mang'r	$\frac{1}{4}$ par
"	"	Bowmanville. G. Dyett, Mang'r	$\frac{1}{4}$ par
"	"	Brantford. A. Grier, Mang'r	$\frac{1}{4}$ par
"	"	St. Thomas. E. M. Yarwood, Mang'r	$\frac{1}{4}$ par
"	"	Ottawa (late Bytown). P. P. Harris, Mang'r	$\frac{1}{4}$ par
Agency at	Woodstock.	W. P. Street, Agent	$\frac{1}{4}$ par
"	"	Whitby. Thos. Dow, Ag't	$\frac{1}{4}$ par
"	"	Peterboro. R. Nichols, Ag't	$\frac{1}{4}$ par
"	"	Goderich. T. M. Jones, Ag't	$\frac{1}{4}$ par
"	"	Simcoe. S. Read, Ag't	$\frac{1}{4}$ par
"	"	Port Hope. A. Macdonald, Ag't	$\frac{1}{4}$ par
"	"	Picton. J. Gray, Ag't	$\frac{1}{4}$ par

BANK OF MONTREAL (CONTINUED.)

			DISCOUNT IN	
			Montreal.	Toronto.
Agency at	Guelph.	J. McLean, Ag't	..... ½	par
" "	Perth.	J. McIntyre, Ag't	..... ½	par
" "	Three Rivers.	G. B. Hulliston, Ag't	..... par	par
Agents in	London—The Union Bank of London.			
" "	Liverpool—The Bank of Liverpool.			
" "	Edinburgh—The British Linen Company, and Branches.			
" "	Glasgow—	Do. do. do.	do.	
" "	New York—The Bank of Commerce.			
" "	Boston—The Merchants' Bank.			

COUNTERFEITS.

5's, a steamer on upper right corner—cattle on the left end—5 in the centre and on the lower right corner—an eagle between the signatures.

5's, Toronto Branch, let. A—pay Baker—in the genuine the word "value" to the left of Toronto, is directly over the word Toronto: in the counterfeit the nose of the small dog comes very near the "T" in Toronto; in the genuine it is an eighth of an inch from the T.

5's, altered from 1's—has a V in a circle at the bottom.

5's, altered from 1's—vig. a female reclining on a figure 5, clumsily altered from the figure 1.

10's, "Parliament" on the left side of the bill is spelled without the *a*.

10's, altered from 1's—vig. Britannia with a spear and shield, and the head is placed after the signature of the cashier; the genuine 10's have a ship, and "Bank of Montreal" is in one line.

BANK DU PEUPLE.

			DISCOUNT IN	
			Montreal.	Toronto.
Head Office—	Montreal.	J. DeWitt, <i>President</i> .		
		B. H. Lemone, <i>Cashier</i>	par	par
Agents at	Toronto,	E. F. Whittemore & Co.		
" "	Quebec,	Quebec Bank.		
" "	London, Eng.,	Glyn, Mills & Co.		
" "	New York,	Bank of the Republic.		

This Bank issues no Notes at its Agencies.

BANK OF UPPER CANADA.

			DISCOUNT IN	
			Montreal.	Toronto.
Head Office—	Toronto, C. W.			
		Wm. Proudfoot, <i>President</i> .		
		T. G. Ridout, <i>Cashier</i>	½	par
Branch at	Brockville ...	R. F. Church, Cas'r.....	½	par
" "	Hamilton ...	Alfred Stow, ".....	½	par
" "	Chatham ...	George Thomas, ".....	½	par
" "	Kingston ...	W. G. Hinds, ".....	½	par
" "	London ...	Jas. Hamilton, ".....	½	par
" "	St. Catharines,	T. L. Helliwell, ".....	½	par
" "	Montreal ...	E. T. Taylor, <i>Manager</i>	par	par
" "	Quebec ...	J. F. Bradshaw, ".....	par	par
Agency at	Barrie ...	E. Lally, <i>Agent</i>		
" "	Belleville ...	E. Holden, ".....	½	par
" "	Berlin ...	Geo. Davidson, ".....		
" "	Bowmanville...	Geo. Mearns, ".....		
" "	Brantford ...	T. S. Shortt, ".....		
" "	Chippawa ...	James Macklam, ".....		
" "	Cornwall ...	J. F. Pringle, ".....		

BANK OF UPPER CANADA (CONTINUED.)

			DISCOUNT IN	
			Montreal. Toronto	
Agency at	Goderich ...	John McDonald,	"	
"	" Lindsay ...	J. McGibbon,	"	
"	" Niagara ...	T. McCormick,	"	
"	" Ottawa ...	R. T. Cassels,	"	
"	" Port Hope ...	J. Smart,	"	
"	" Sarnia ...	Alex. Vidal,	"	
"	" Southampton...	Alex. McNabb,	"	
"	" Stratford ...	J. C. W. Daly,	"	
"	" Three Rivers, C.E.	P. D. Dumoulin,	"	
"	" Windsor, C.W.	Thos. E. Trew,	"	
Agents at	Albany, N. Y...	New York State Bank.		
"	" Boston ...	S. Henshaw & Sons.		
"	" Edinburgh ...	British Linen Company.		
"	" London, Eng...	Glyn, Mills & Co.		
"	" New York ...	J. G. King & Sons.		
"	" Oswego, N. Y...	Luther Wright's Bank.		
"	" Rochester, N.Y.	City Bank.		

COUNTERFEITS.

10's altered from 1's : vig. railroad train.

10's altered from 1's ; vig. a beehive ; the true 10's have for vig. a landscape view.

10's, let. C ; close imitation ; Nov. 1st, 1839 ; general appearance darker than the genuine, particularly in the foreground of the vig. and the figure X at the bottom.

BANK OF TORONTO.

			DISCOUNT IN	
			Montreal. Toronto.	
Head Office—Toronto	...	J. G. Chewett, <i>President</i> .		
		Angus Cameron, <i>Cashier</i>	$\frac{1}{4}$	par
Agency at	Barrie ...	W. D. Ardagh, <i>Agent</i>		
"	" Cobourg ...	J. S. Wallace, "		
"	" Newcastle ...	Samuel Wilmot, "		
"	" Peterboro ...	James Hall, "		
"	" Port Hope ...	S. E. Walsh, "		
Agents at	London, Eng...	City Bank.		
"	" New York, U.S.	Bank of Commerce.		
"	" Oswego, U. S.	Luther Wright's Bank.		

CITY BANK, MONTREAL.

			DISCOUNT IN	
			Montreal. Toronto.	
Head Office—Montreal.		Wm. Workman, <i>President</i> .		
		F. Macculloch, <i>Cashier</i>	par	par
Branch at	Toronto ...	Thomas Woodside, <i>Manager</i>	$\frac{1}{4}$	par
Agency at	Bowmanville...	Robert Armour, <i>Agent</i>	$\frac{1}{4}$	par
"	" Bradford ...	A. McMaster, "		no issues
"	" Quebec ...	Daniel McGee, "		par par
"	" Sherbrooke ...	W. Ritchie, "		no issues
Agent at	Dublin ...	National Bank of Ireland.		
"	" London, Eng...	Glyn, Mills & Co.		
"	" New York ...	Bank of the Republic.		

COUNTERFEITS.

10's, vig. British coat of arms ; male bust on left end ; "parliament" is spelt "parliment" ; has a bluish look.

COLONIAL BANK OF CANADA.

Authorized Capital, \$2,000,000.

Head Office—Toronto. A. M. Clark, *President.* John Major, *Cashier.*
This Bank is not yet in operation.

COMMERCIAL BANK OF CANADA.

(Formerly Commercial Bank of the Midland District.)

		DISCOUNT IN	
		Montreal.	Toronto.
Head Office—Kingston.	Hon. John Hamilton, <i>President.</i>	C. S.	
Ross, <i>Cashier</i>		$\frac{1}{4}$	par
Branch at Belleville ...	Andrew Thompson, <i>Manager</i>	$\frac{1}{4}$	par
“ “ Brockville ...	Robert Finlay, “	$\frac{1}{4}$	par
“ “ Galt ...	William Cooke, “	$\frac{1}{4}$	par
“ “ Hamilton ...	W. H. Park, “	$\frac{1}{4}$	par
“ “ London ...	J. G. Harper, “	$\frac{1}{4}$	par
Branch at Montreal,	Thomas Kirby,	par	par
“ “ Port Hope,	W. F. Harper,	$\frac{1}{4}$	par
“ “ Toronto,	C. J. Campbell,	$\frac{1}{4}$	par
Agency “ Chatham,	Thomas McCrae,		
“ “ Ingersoll,	W. A. Rumsey,		
“ “ Perth,	.....	
“ “ Peterboro,	Wm. Cluxton,		
“ “ Port Stanley,	E. C. Warren,		
“ “ Prescott,	John Patton,		
“ “ Quebec,	Joseph Wenham,	par	par
“ “ Stratford,	W. C. Lee,		
Agents “ Albany,	New York State Bank,		
“ “ Boston,	Merchants Bank,		
“ “ Dublin—	Ireland; Boyle, Low, Pim & Co.,		
“ “ Edinburgh—	Scotland; Commercial Bank of Scotland,		
“ “ Glasgow	“ Western Bank of Scotland and Clydesdale Bank-		
“ “ London—	England; London Joint Stock Bank,		[ing Company.]
“ “ New York,	Merchants Bank,		
“ “ Oswego,	N. Y., Luther Wright's Bank,		

COUNTERFEITS.

5s., horse and rider on lower right and left corners.

5s., spurious—vig. a female leaning on a wheel.

10s., vig. flying Mercury in clouds, with 10 and scrolls each side; marine view on lower right corner; X., roses and thistles on the left; imitation of genuine, but of a little darker color. This is a dangerous counterfeit.

GORE BANK.

		DISCOUNT IN	
		Montreal.	Toronto.
Head office,	Hamilton, A. Stevens, <i>President.</i>	N. G. Crawford, <i>Cashier.</i>	
Agency at Chatham,	C. W., A. Charteriss, <i>Agent.</i>	$\frac{1}{4}$	par
“ “ Galt,	John Davidson “		
“ “ Guelph,	T. Sandilands “		
“ “ London,	W. W. Street “		
“ “ Paris	James Nimmo “		
“ “ Simcoe,	D. Campbell “		
“ “ Woodstock,	James Ingersoll “		
Agents “ Albany,	N. Y.; New York State Bank,		
“ “ Edinburgh,	Scotland,—Union Bank and Branches,		
“ “ London,	England,—Glyn, Mills & Co.,		
“ “ New York,	Ward & Co., and Merchants Bank,		

COUNTERFEITS.

20s. & 50s.—This Bank has no 20s. or 50s.

MOLSON'S BANK.

	DISCOUNT IN	
	Montreal.	Toronto.
Head Office—Montreal, Wm. Molson, <i>President</i> ; W. Sache, <i>Cashier</i> .	par	par
Agency at Toronto, John Glass, <i>Agent</i>	$\frac{1}{4}$	par
Agents at Boston, U. S.; J. E. Thayer & Brother.		
“ “ New York, Mechanics Bank.		
“ “ London, England; Glyn, Mills & Co.		

This Bank was established under the Free Banking Law of Canada, but has since been incorporated by Act of Parliament; authorized Capital \$1,000,000.

NIAGARA DISTRICT BANK.

Head Office—St. Catharines.	Hon. W. H. Merritt, <i>President</i> .	C. M. Arnold
	<i>Assistant Cashier</i> .	
Agency at Ingersoll,	C. E. Chadwick, <i>Agent</i> .	
<i>Agents</i> —London, England,.....	Bosanquet, Franks & Co.,	
	New York.....	Bank of the Manhattan Co.
	Buffalo, N. Y.....	O. Lee & Co's Bank

This Bank was established under the Free Banking Law of Canada, in 1854, but was incorporated by Act of Parliament in 1855, and is now one of the chartered Institutions of the country.

COUNTERFEITS

5s, altered from 1s—vig. lion and unicorn—milkmaid on left. 10s, altered from genuine 1s—bank has no 10s.

PROVINCIAL BANK—STANSTEAD.

(Notes secured by deposit of Provincial Securities.)

	DISCOUNT IN	
	Montreal.	Toronto.
Head Office—Stanstead, C. E.—W. Stevens, <i>President</i> ,.....	$\frac{1}{2}$	5
	J. W. Peterson <i>Cashier</i>	
<i>Agents</i> in Montreal.....	J. D. Nutter & Co.	
“ New York.....		
“ Boston.....		

The notes of the Provincial Bank are not taken in deposit by any of the other Banks or Branches—the Brokers in Montreal redeem them at one-half per cent. discount. In Toronto and other western cities they are bought in large sums at two and one-half, and, in smaller amounts, at five per cent discount.

QUEBEC BANK.

	DISCOUNT IN	
	Montreal.	Toronto.
Head Office—Quebec, James Gibb, <i>President</i> —C. Gethings, <i>Cashier</i>	par	par
Branch at Toronto, W. W. Ransom, <i>Manager</i>	$\frac{1}{4}$	par
Agency at Montreal, Bank du Peuple, <i>Agents</i>		
“ Ottawa, H. V. Noel, “.....		
“ Three Rivers, John McDougall, “.....		
<i>Agents</i> at Fredericton, N.B.; Central Bank, “.....		
“ London, England; Glyn, Mills, & Co., “.....		
“ New York, U. S.; Maitland, Phelps, & Co.		
“ St. John, N. B.; Commercial Bank, New Brunswick ...		

COUNTERFEITS

10s. vig. man and woman—female on each end.
 10s. altered from 1s. The altered bill has the letter X substituted for the figure 1 on the upper corners. The genuine tens have the figures 10 on the corners.

ZIMMERMAN BANK.

DISCOUNT IN
Montreal, Toronto.

Head Office—Clifton, C. W.———President.

J. W. Dunklee, *Cashier.*

$\frac{1}{4}$ par

Agents in New York, Atlantic Bank.

COUNTERFEITS.

5s, 10s, & 20s, altered from 1s—vig. Suspension Bridge—female, anvil, and hammer on right—Clifton house on left. In the genuine 20s the name of the bank is on the top of the bill; in the altered bills the name of the bank is below the Suspension Bridge.

PRIVATE BANKERS AND EXCHANGE BROKERS.

MONTREAL.—C. Dorwin & Co., St. Francois Xavier Street.

“ J. D. Nutter & Co., Place D’Armes.

“ Geo. W. Warner, St. Francois Xavier street.

“ D. Fisher, & Co., “

“ Ewing and Fisher “

“ T. Maxwell Bryson, St. Paul Street.

TORONTO.—E. F. Whittemore & Co., Toronto Street. Agents for La Banque du Peuple.

“ R. H. Brett, Toronto Street.

“ W. H. Bull & Co., King Street.

“ H. B. Phipps, Toronto Street.

“ John Cameron, Wellington Street.

“ Wm. Weir, & Co., Front Street.

HAMILTON.—Hamilton, Davis, & Co.

“ W. R. Macdonald.

“ Nelson Mills, & Co.

LONDON, C. W.—B. F. Beddome.

QUEBEC.—R. Finn.

N.B.—This list is yet incomplete : parties whose names are omitted will please notify us.

BROKEN AND WORTHLESS BANKS.

Farmers Joint Stock Bank, Toronto.....	<i>Failed.</i>
Agricultural Bank, Toronto.....	<i>Fraud.</i>
Suspension Bridge Bank.....	<i>Failed.</i>
Bank of Fort Erie.....	<i>Fraud.</i>
Bank of Ottawa.....	<i>Failed.</i>
Commercial Bank, Fort Erie.....	<i>Fraud.</i>

New and Dangerous Counterfeit.

10's, Bank of Montreal, Toronto Branch : perfect imitation of genuine new plate, having on left upper corner Montreal City Arms, with the figures 10 and steamboat on right upper corner. May be known by the absence of the water mark and the shading around the Montreal Arms, which is coarser than in the genuine, and appears as if done with a pencil. The words "Concordia Salus" are quite legible in the genuine, but indistinct and blurred in the counterfeit. Those we have seen have the word "Peterboro'" in each end, in red letters.

N. B.—To discover the water-mark, wet the back of the Bill, when the word showing the denomination will become visible.

COMMERCIAL SUMMARY AND REVIEW.

TORONTO, Thursday, June 10th, 1857. ☽

During the past month the produce trade has been characterised by a great deal of activity, caused by increased supplies and an active demand, with exceedingly high prices. The completion of seeding has enabled farmers to bring their produce to market, and the high prices paid has also tended to increase the receipts. The weather has, on the whole, been favourable to the growth of the crops, although unusually cold and backward. The accounts received as to the prospects of the winter wheat crop are more favourable than at the date of our last issue, and no very serious apprehensions are entertained either as regards the quantity or quality of this most important staple.

The transactions in wheat during the month have been large, and at very satisfactory prices to the farmer. The large advance noted in our last review has been more than maintained, and during the month prices have ruled steadily in the vicinity of 8s. 9d. to 9s. (\$1 75 to 1\$ 80) per bushel. Occasionally higher prices have been paid, but in no instance have lower rates been realized for good samples. In large lots for shipments but few transactions have taken place here. Among them, the largest, was a sale of 9,000 bushels at 9s. (\$1 80), free on board. The purchases have continued to be on orders from millers in the New England States and on the south shore of the Lake. The amount yet brought down from the West has been comparatively small, and it is said there is but little to follow. Taking this into consideration, in connection with the small shipments from New York, and the light stocks held here, it would seem that prices are not likely to touch a much lower level. The prices paid here, however, for wheat are higher, in proportion, than at any other point; and that they may be somewhat reduced is extremely probable. Hitherto the cause of these rates has been the rivalry and competition in the market, also to induce increased supplies from farmers. Now that the latter is gained, and the deliveries are becoming large, there is no knowing when buyers may agree to keep prices regulated by other markets.

FLOUR.—The flour market has remained undisturbed during the month, and prices are much the same as quoted in our last. The demand has been of a purely consumptive character, and the purchases made have been on Boston, Montreal, Portland, and Quebec account. Small lots have been sought for, and no very large transactions are noted. The quantity offering has been moderate, and supply and demand about balanced. At the present time the market is somewhat depressed, and, to force sales, holders have to submit to a decline. It is thus almost impossible to fix quotations with accuracy, and the following must be regarded as purely nominal:—Superfine No. 1, \$6 25 to \$6 50; Fancy, \$7 to \$7 25; Extra, \$7 50 to \$8 per barrel. There is more of the first-named grade offering, and the unusual difference in value is thus accounted for.

The following will show the movement in flour and wheat from the date of our last to Saturday last, 6th inst.

	FLOUR—BARRELS.	WHEAT—RUSHELS.
In Store last Month.....	9,000	64,000
Received since.....	12,000	54,000
	<hr/>	<hr/>
	21,000	118,000
Shipped	17,000	70,000
At present in Store.....	4,000	48,000

The following is a statement showing shipments of wheat and flour from this port, with the destination thereof, since the commencement of the year:—

	FLOUR—BARRELS.	WHEAT—BUSHELS.
Oswego	22,621	101,239
Ogdensburgh.....	18,500	55,503
Cape Vincent.....	4,707	17,169
Rochester.....	581	27,162
Montreal	42,799	9,427
Quebec	8,935	6,825
Portland.....	9,281	1,216
Other Ports.....	4,574	11,905
	<hr/>	<hr/>
Totals.....	93,738	230,446

The following exhibits the shipments from the North Shore ports named, since the opening of navigation, with the amount left in store, up to May, 30th:—

	SHIPMENTS.		IN STORE.	
	FLOUR.	WHEAT.	FLOUR.	WHEAT.
Hamilton	39,217	12,663	1,346	—
Wellington Square.....	3,200	42,000	600	27,500
Oakville.....	121	2,000	—	13,000
Port Credit.....	12,108	49,164	1,457	2,917
Darlington.....	21,126	3,195	2,323	574
Oshawa.....	10,343	17,145	703	3,968
Cobourg.....	11,905	17,801	2,255	—
Port Hope.....	8,582	80,397	—	—
Colborne	135	1,675	—	725

OATS have been freely imported into this market during the month, principally from Montreal with one or two cargoes from the West. The receipts by Lake, for the month, are not less than 40,000 bushels. Of this amount, fully 18,000 remain on hand, while there is afloat fully 15,000 bushels more, making upwards of 30,000 bushels on sale. This large supply tends to depress the market, and prices are unsettled. We quote them nominally at 3s. 6d. to 3s. 9d. per bushel, by the quantity.

CORN has arrived freely during the month, but is in great demand for consumption and distilling purposes. It is held firmly at 4s. 9d. to 5s. per bushel.

In Merchandize there continues to be great depression. The experience of the "oldest inhabitant" fails to produce a spring more dull, or a season more depress-

ed. The sales of Dry Goods are less by fully one-half those of the same period last year: while in Hardware, Crockery, Drugs, &c., there has been but little doing.

In GROCERIES the wants of the people have necessitated a trade, but even it is limited to the lowest level, and the stocks of retail merchants were never lighter. We are not disposed to grumble at this state of affairs, believing that it is the natural result of over-trading, and of the long credit system. We think that the present dullness of trade, and tightness of the times, will, in the end, be beneficial, by placing the internal commerce of the Province on a proper basis.

The principal articles in the Grocery Trade continue to advance, and prices now touch an unprecedented point. They are named and compared with those of last year by the following:—

	June 1st, 1856.		June 1st, 1857.	
	s. d.	s. d.	s. d.	s. d.
Porto Rico Sugar, per cwt.....	50 0	to 51 3	71 3	to 73 9
Refined do. per lb.....	5 $\frac{3}{4}$	" 6	8 $\frac{3}{4}$	" 9
Crushed, A, per lb.....	6 $\frac{3}{4}$	" 7	9	" 9 $\frac{1}{2}$
Tobacco, 10's, per lb.....	11	" 1 2	1 6	" 1 8
Coffee, Laguira, per lb.....	8 $\frac{1}{2}$	" 8 $\frac{1}{4}$	9 $\frac{1}{4}$	" 9 $\frac{3}{4}$
Raisins, M. R's, per box.....	17 6	" 18 9	23 9	" 25 0
Brandies, per gal.....	15 9	" 16 3	18 9	" 20 0
Teas advanced fully 25 per cent.				

The above calls for no remark, as the figures speak for themselves, showing how much more it costs to live, and how the value of our importations and the duty on them must increase.

WHISKEY is also higher, and now sells freely at 1s. 4d. to 1s. 6d. per gallon.

In other articles we observe no change to remark.

LUMBER is very dull, the scarcity of money retarding operations. There has been more shipped than usual during the month.

QUEBEC SHIPPING.

Comparative Statement of Arrivals and Tonnage at the Port of Quebec in the years 1856 and 1857, to the 5th June, is as follows:

1856	- - - -	228 Vessels.	122,645 Tons.
1857	- - - -	374 "	797,112 "
		<u>146</u>	<u>70,867</u>

Emigration.

The returns of the emigrants at Quebec this year, made up to the end of May, reach the large number of 6,223 persons, against the 2,883 last year. Since that time we have accounts of twelve more ships with emigrant cargoes amounting in all to 2,282, making for the season a total of 8,505 for the season. This is probably a number still more largely in excess of last year's arrivals than is shown by the return to the end of last month.

TORONTO STOCK MARKET.

(CORRECTED BY F. P. STOW.)

Toronto, 10th June, 1857.

DESCRIPTION.	SHARES.	PAID UP.	DIVIDEND LAST SIX MONTHS.	RATE.
Bank of Upper Canada.....	£ s. d. 12 10 0		4 per cent.	Last sale at 2 premium.
Bank of Montreal.....	50 0 0		4 per cent.	18 per cent premium.
Commercial Bank.....	25 0 0		4 per cent.	13½ per cent premium.
Bank of British North America.....	50 0 0		3 per cent.	None offered.
Gore Bank.....	10 0 0	All.	4 h. c. & 10 bonus.	1 @ 2 per cent premium.
City Bank, Montreal.....	20 0 0		5 per cent.	12½ per cent premium.
Toronto Gas Company.....	12 10 0		5 per cent.	2½ per cent. break.
Hamilton Gas Company.....	10 0 0		5 per cent.	Par.
Western Assurance Company.....	12 10 0	15 per cent.	None.	Nominal.
British America do.....	20 0 0	45 per cent.	None.	Nominal.
Provincial do.....	25 0 0	20 per cent.	None.	Nominal.
Great Western R. R.....	20 10 0	All.	4½ per cent.	5 per cent. premium.
Government Debentures.....	...	...	{ 6 per cent. inter't	Par.
Municipal Loan do.....	...	...	{ per annum.	
County & Town do.....	...	...	{ do.	8 @ 9 per cent discount.
			{ do.	1 @ 3 dis. per annum.

The above may be considered nominal, as scarcely any transactions have taken place of late.
Bank of Upper Canada Stock looks up—holders asking three premium.

MONTREAL STOCK MARKET—PREPARED BY THE BOARD OF BROKERS.

BOARD ROOM EXCHANGE, MONTREAL, JUNE 6th, 1887.

DESCRIPTION.	Shares.		Paid Up.	Dividend Last Six Months.	Buyers.	Sellers.
	£	s. d.				
Bank of Montreal	50	0 0	40 whole.	4 per cent.	19½ ex div.	16½ prem.
Bank of Montreal, New Stock	50	0 0	40 per cent.	3 per cent.	16½ do.	None.
Bank of British North America	50	0 0	40 whole.	4 per cent.	14 do.	None.
Commercial Bank of Canada	25	0 0	10 whole.	5 per cent.	11½ do.	11½ prem.
City Bank	20	0 0	10 do.	.....	11½ do.	12 prem.
City Bank, New Stock	20	0 0	10 do.	4 per cent.	14 do.	3 prem.
Bank of Upper Canada	12	10 0	10 do.	.....	2½ do.	9s. 0d.
Bank of Lower Canada	5	0 0	do	None.	None.	None.
Montreal Mining Company's Consols.	2	0 0	3 13 0	.....	0s. 0d.	None.
Quebec and Lake Superior Mining Company	2	0 0	1 0 6	.....	0s. 0d.	None.
Lake Huron Silver and Copper Mining Company	1	5 0	0 3 9	.....	0s. 0d.	None.
Canada Mining Company	1	5 0	0 4 6	.....	0s. 0d.	None.
Huron Copper Bay Mining Company	1	0 0	0 1 3	.....	85 dis.	82½ dis.
Champlain and St. Lawrence Railroad Company	50	0 0	whole.	6 per cent. per annum.	37½ dis.	35 dis.
Grand Trunk Railroad Company	25	0 0	whole.	4½ per cent., 6 mos.	None.	None.
Great Western of Canada	25	0 0	whole.	5 per cent., 6 mos.	16 prem.	23 dis.
Montreal Telegraph Company	10	0 0	whole.	2½ per cent., 6 mos.	None.	None.
Montreal City Gas Company	10	0 0	.....	6 per cent. per annum.	8 dis.	1 prem.
Government Debentures, 20 years	.....	.....	.....	7 per cent. per annum.	None.	8 dis.
Champlain and St. Lawrence Railroad Bonds	.....	.....	.....	7 per cent. per annum.	None.	35 dis.
Montreal Exchange	100	0 0	whole.	7 per cent. per annum.	15 dis.	1½ dis.

STOCKS.

BANK OF MONTREAL.—Old and New Stock have been taken to extent of £10,000 during the week, at prices ranging from 17 down to 16½ per cent premium, there being buyers to-day at 16½ per cent premium.

BANK OF BRITISH NORTH AMERICA.—Sales at 40 per cent premium. None now offered.

COMMERCIAL BANK, CANADA.—Buyers at 14 per cent. premium.

CITY BANK.—Has been sold largely at 11 to 11½ per cent. premium. No sellers to-day under 12 per cent premium.

BANK OF UPPER CANADA.—Sellers at 2 and buyers at 1½ per cent premium.

PEOPLE'S BANK.—Buyers at 2½ per cent. premium, demanding 17 and 12 respectively.

MONTREAL CITY GAS COMPANY.—Sales to some extent at which sales take place.

MONTREAL MINING COMPANY CONSOLS.—Readily procurable at 9s. No buyers at over 8s. per share.

CHEMPLAIN AND ST. LAWRENCE RAILROAD.—Nothing doing either in Stock or Bonds, quotations nominal.

GRAND TRUNK RAILROAD.—Has since declined, and as 34½ per cent discount—but has since declined, and there are to-day no buyers at over 37½ per cent discount.

GREAT WESTERN OF CANADA.—None in this market, in rate.

MONTREAL TELEGRAPH COMPANY STOCK.—Asked for per cent premium for 90 days, and 9 per cent premium at 16 per cent. premium for old, and 11 for new, sellers for 60 days on London.

GOVERNMENT DEBENTURES.—Unsaleable at 1 per cent premium.

CONSOLIDATED MUNICIPAL LOAN FUND DEBENTURES.—Buyers at 8 per cent discount. There has been but little done for the last fortnight.

IN OTHER STOCKS.—Nothing to report.

EXCHANGE.—In fair demand for Bank without change in rate. Private less easy of sale, and nominally 8½ per cent premium for 90 days, and 9 per cent premium for 60 days on London.