

dividends to the proprietors. It gratified me to learn that the public of Cape Town is chiefly indebted to Isaac Chase, Esq., the United States consul, for the adoption of this banking system. I had many interesting conversations with him on the subject, and also conversed with others, inhabitants of the colony, who expressed themselves highly pleased with the success of these institutions, while at the same time they acknowledged their obligations to our commercial agent.

Wine is the great staple of the colony; but many of the vine-growers have been ruined, in consequence of the vacillating policy pursued by the home government, with regard to this branch of industry. Trusting to the promises made by the government, a vast amount of capital was invested in the business, and the annual production was in a short time tripled. This state of things continued for about ten years; but in the year 1825 a change of policy took place, and the protection was diminished more than one-half; and at the same time a further reduction was proposed in the bounty. As a natural consequence, a depreciation in all the wine estates took place, and the loss of much property ensued. This was made more unpleasant to the Cape colonists by a proposition to put a duty on Cape wines, that would have the effect of placing them at a higher duty than those of foreign wines. The colonists are still very sensitive upon the subject of wine, and the treatment they have received; not only have they to complain of bad faith on the part of the government, but the constant efforts of others to decry their wines, some of which are produced of as fine a quality as those in any other part of the world; but there is some foundation for the disparaging reports that have been circulated, for quantities have certainly been sent abroad that had been very much adulterated.

The Cape colony, both as to soil and climate, is well adapted to the raising of all descriptions of wines, from the light German and French, to those of Madeira and Sherry.

In consequence of the reverses the colonists have met with in the wine trade, they have begun to turn their attention to the raising of sheep; the colony has been found to be well adapted to those producing fine wool, and the investments that have been made in them bid fair to be profitable.

Wheat and maize are also cultivated, particularly on the mountains near the Cape, where these grains grow in great perfection, and are raised in sufficient quantities to meet the consumption of the colony, and to be exported in considerable quantity to the Mauritius. The wheat now used is of a hard and flinty kind, and effectually resists