

a peculiar, not to say unenviable, position, from the way in which the tariff works out. For the making of certain grades of flour the miller finds it absolutely necessary that he should have easy access to Manitoba No. 1 hard wheat. Yet he has to pay a duty on this of 25 cents per bushel, and of 20 per cent. ad valorem on flour. The millers of Minneapolis and other flour centres are using their energies in an attempt to obtain amendments to the drawback clauses which indemnify them for a large proportion of the amount they may have paid out in duty on wheat which they afterwards export. But the provisions making this rebate apply to only the identical wheat which has been actually imported and actually exported in the form of flour and make the law very awkward in practice. And it is pointed out by good authorities that even in a high protectionist country like the United States a high tariff on such an article as agricultural produce, of which a large surplus is usually raised for export, whereupon it comes into competition with the surplus from a country against which such tariff is raised, is altogether beside the mark. It is likely to be at such points as these that the thin end of the wedge in the form of reciprocity will ultimately make its entrance.

One thing seems sure, and that is that wheat (with its products), which in the world's eye is Canada's most prominent staple, is to be a very high-priced and valuable commodity for some time to come, and this is a fact which is bound to mean much for the development of the Dominion at this juncture in her history.

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### THE IRON MARKET.

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Considering the unstable conditions which have prevailed for metals across the line for some weeks past, the pig iron market in this continent may be described as almost surprisingly steady. Briefly summarized, the prices now quoted in the Toronto market are about as follows: Bar iron, \$1.75 to \$1.85 per hundred; pig iron, Middleboro', \$18.75; No. 1 Midland, \$17.50. And the demand keeps fairly steady at these rates. Canadian dealers are watching with interest the trend of the market in the United States, which is a little difficult, at the moment, to forecast. It is understood that the United States Steel Corporation is making considerable reductions in structural materials. In plates the recession is \$5 per ton; in bars, of \$1 or \$2 per ton, and in billets, \$4 to \$5. The independent factories will no doubt follow suit, so for a while there is likely to be an open market. So far as can be learned the rail mills will retain the prices of sections at \$28 per ton. In this connection the report is of interest that 100,000 tons of rails have been bought in the United States on account of the Grand Trunk Pacific and Temiskaming railroads. The sale was made in competition with British and other makers, and no doubt the price was affected by this consideration.

Some interesting statistics regarding the state of the iron industry in this country are to be gathered from a recently issued report of the American Iron and Steel Association. The production of pig iron

for the first half of 1904 in Canada was 120,643 tons, compared with 132,488 for the second half of 1903, and with a little more than this for the first half of 1903. Of the total production in the first six months of the present year, 35,291 tons were basic pig, as against 69,025 tons in the first six months of last year. No Bessemer pig was made this year, but there was a small quantity in the second half of last year.

The unsold pig iron held by Canadian manufacturers on June 30th, 1904, none of which was intended for their own consumption, amounted to 36,868 gross tons, as compared with 19,168 tons on December 31st, 1903, and 13,585 tons on June 30th, 1903. Of the unsold stocks on June 30th, 1904, a little less than 4,000 tons were made with charcoal, the remainder being coke iron. On June 30th, 1904, Canada had fifteen completed blast furnaces, of which six were in blast and nine were idle. Of this total, eleven were equipped to use coke and four to use charcoal. In addition, one coke furnace was being built June 30th, 1904, and one coke and one charcoal furnace were partly erected, but work was suspended. During the first half of 1904, the total number of furnaces in Canada actually in blast for the whole or a part of the period was ten, of which seven used coke and three used charcoal. The number of furnaces idle during the whole period was five, of which four used coke when last in blast and one used charcoal.

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### NOVA SCOTIA TRADE.

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As may be gathered from the letter of our Halifax correspondent, the commercial people of that city are particularly busy. This is in a large measure due to the great number of persons attending the Provincial Exhibition, for that visitors are buying goods more freely than in former years is a circumstance on which merchants are commenting. Wholesale houses as well as the retail firms have profited by the presence of the visitors. In fact, irrespective of the buyers brought to the city by the Exhibition, wholesale trade has picked up considerably of late. The travellers' orders in the last ten days have been quite satisfactory. Mail orders also have been numerous. All this, taken in connection with accounts of improved activity in trade elsewhere in the Province, gives rise to the hope that conditions are improving, and that business for the remaining months of the year will not fall below the average.

An unfavorable feature among Nova Scotia's industries, however, is the disappointing nature of the Nova Scotia Bank fishing fleet's experience. Many of the vessels having returned from their summer voyage, it has become evident that the season's catch of codfish will be but little larger than that of last year, which was about the smallest on record. Fortunately for the fishermen and the general merchants, very high prices are ruling, so that in the aggregate the Nova Scotia fishery will yield at least the average financial return. The catch, however, was, we are told, very unevenly distributed, so that while some fishermen are amply repaid, others have very little to show for their summer's toil.

Several features in connection with the Nova Scotia Exhibition, now in progress at Halifax, deserve attention. The excellence of the industrial exhibits in the main building of that show deserves and commands attention. Every available space is occupied, and with very few exceptions the goods