

ten feet of water in the Red River from Lake Winnipeg to Emerson would accomplish more in one year, than a protective tariff would in twenty. On grounds of purely local development therefore the work of deeping and removing obstructions to navigation on this river calls loudly for prompt action and liberal assistance from the Dominion Government.

But when we take a look forward into the probabilities, and we might say the almost certain developments of the near future, the necessity for Red River improvement increases prodigiously in importance. The Dominion Government in its last Session by granting a charter and bestowing a liberal land grant for the construction of a Hudson's Bay Railway pledged itself to the securing of an outlet for Northwestern products by this bay. A great share of the usefulness and value of this outlet will be lost, unless we can tempt the settlers of Minnesota and Dakota to take advantage of it, and with clear navigation of the Red River in Canadian territory; the United States Government would not be slow to improve and deepen the portion of the river running through its territory, so as to allow farmers south of the intentional boundary line the advantage of a cheap means of transit for their products to the European markets. A line of railway from the head of Lake Winnipeg northwest for 350 miles would reach a Hudson's Bay port, and with clear navigation on the Red River from Fargo north, grain could be carried from that city by water two thirds of its way to the Northwest coast. The cheapness of water transit compared with that of rail is too well known to require any comment or argument from us at present.

THE COMMERCIAL has had occasion to urged the necessity for Red River improvement on former occasions, and now that the business men of the city seem thoroughly awakened to the importance of the subject, it is to be hoped, that the Government at Ottawa will not longer feed us upon a succession of empty and unfulfilled promises as they have heretofore done. Some of the greatest shipping rivers of the world have been scooped out from but small streams, and there are men living yet, who have waded across the River Clyde in Scotland at points where vessels of five thousand tons burden now sail smoothly past drawing over twenty

feet of water. It is no great stretch of imagination to believe, that vessels of the same magnitude may steam past the city of Winnipeg before the present generation have all passed away.

### UNITED STATES FAILURES.

The report of the failures in the United States for the first six months of 1884, which the mercantile agency of R. G. Dun & Co. (Dun, Wiman & Co.) present to their patrons, furnishes quite a significant index to the state of commercial affairs in the United States during the period stated. The tabulated report gives the different states in detail, and then sums up the results with the following paragraph:—

"It will be seen from the foregoing figures that the failures in the United States, for the first half of 1884, are 5,510 in number, an increase of 873 failures, as compared with the first six months of 1883, or about 18 per cent. The liabilities, however, for the first half of 1884 show an enormous increase, amounting to \$124,600,000, as compared with \$66,000,000, in the same period in 1883, or nearly double. The enormous growth in the liabilities is, however, directly traceable to the recent panic, which has been mainly centered in New York City, in which locality the liabilities of the past quarter comprise more than one-half of those noted in the entire United States, in that period. A comparison of the failures of the six months in numerous States, indicates, in some cases, only a slight increase in failures and liabilities showing that the disasters of the last six months, great as they have been, have not been nearly so universal as has generally been supposed."

Further on, in the same soothing and apologetic strain the report has the following:—

"The panic which we have passed through has been well described as 'the rich man's panic.' It is a matter of significant moment that, considering all the violent fluctuations that have occurred, the enormous shrinkage in values, and the severe restrictions which monetary institutions have found it necessary to enforce, that failures have not been more numerous. So that, instead of being depressed by the figures which we herewith present, indicating, as they do, a large increase in casualties, and an enormous growth in liabilities, there is yet comfort to be found in the fact that the rank and file of legitimate business men have withstood a shock so severe."

While admitting, to some extent, the truth of the assertion that legitimate trade has not borne the weight of the disaster of the past six months, it is nevertheless true that there has been a heavy increase in the number and magnitude of failures, even among the industrious class of business men, compared with the corresponding

period of 1883. It is evident that in the latter year prosperity reached its climax, and a drift in the opposite direction has since been going onward. That it has been less disastrous in its results so far to legitimate trade than to speculation is due, doubtless, to the fact that in the latter the widest and freest openings for its entrance are always to be found. Disaster, like disease, always attacks and overcomes first in the weakest points, though it may at the same time show its power to injure in the stronger.

It is best to admit faults once they are made apparent, and in this sense it is wise to admit that the wild gambling recklessness which has developed in connection with Wall Street transactions during the past six months has more or less leavened the whole commercial fabric of this continent. The depressed state of almost every branch of industry is unquestionably the product of over-production, which again is only one phase of recklessness, and one which above all others an industrious and prosperous nation has to guard against. That the United States have reached the worst stage of this is not to be wondered at, considering the policy that has been followed. Like our own people the desire to acquire wealth rapidly has been the all absorbing thought in that country, and the system of bolstering pursuits that should flourish under open competition has unquestionably been the leading cause of over-production. If, therefore, the industrial classes adopt artificial means of increasing wealth, it is only natural that the speculative and non-productive classes should excel them in the same, and it is only a natural consequence that when a crash comes the latter should be the greater sufferers. In the commercial experience of the United States during the past six months, Canadians have much to learn. Depression has made its mark in this country during the same period, but as bolstering and over-production has never reached such proportions as they have south of us, our sufferings have been less. They have had a similar origin, however, and require similar prevention in the future and only the removal of the cause can prevent their recurrence.

Taking this report of R. J. Dun & Co. altogether, and admitting all the hopeful points & claims, there is nevertheless great cause for alarm yet, very little cause for congratulation, and a note of solemn warning pealing from its every statement.