

large indeed. Speculation in Southern Russia has been paralyzed by the enormous supplies that have poured in from the interior. All over Europe immense stores await transportation. And in the States the railways are likely to be kept busy all winter moving the products of the West to the seaboard. Our farmers, therefore, will do wisely to sell in time. They can well afford to take present prices. The difference between a fine crop at present prices and a poor one at higher prices is much in favor of the former. A thousand bushels at ninety cents is a better crop than seven hundred at \$1.20. It yields more money, and then there is a far greater quantity of straw: no light matter in these days when every particle of farm produce can be turned into money, either directly or indirectly.

As to grain merchants, we have long been contending that the only legitimate way of carrying on business at the centres is in the way of commission. Of all trades the grain trade is the one which must be done at a low profit. The attempt to make more than one or two per cent. out of it invariably ends in failure. It has been so in England for years, and Canadian and American experience confirm it. But then the quantity handled is so large that the one or two per cent. on grain brings just as much at the end of a year as the ten or twenty per cent. on other classes of merchandise. A grain merchant turns his business over twenty times in a year, and if he makes one or two per cent. on this he does as well as another who turns it over twice and makes ten per cent. each time. If men will steadily act on this they may steadily prosper and accumulate wealth in the grain trade as well as in any other. Both Montreal and Toronto are very large grain centres, yet of the enormous business done during the last ten years what a miserable modicum of profit remains. In most cases men are poorer now than they were ten years ago. Grasping at too much they have lost everything. But there is still the trade to be done. Let a "new leaf" be turned over this year, and we may have a grain interest as rich as any other amongst us.

In lumber, there appears little reason to look for a change for the better at present. The sole point for owners of stocks is that the peculiar weather we have had this winter will prevent logs from coming forward, even if manufactured. But the manufacture is likely to be very small in Canada. In Michigan, a large amount of logs have been cut, but with such a winter as this (and the weather is the same there as here)

very little can come forward. This is a hopeful feature, and is almost the only bright spot in the gloom that overhangs this branch of business.

Timber promises much better, and those who have stocks unsold will probably find them cleared off at a considerable advance over the low prices of last year. These prices, it is well known, involved heavy losses to manufacturers. What little timber is being got out this year will probably do well. But the heavy disasters of last year will be felt for many years to come, and must discourage production.

The Manufacturing interest has so many branches, that it is impossible to speak of them under one head. Some have been overdone, and must suffer the consequences. Others have been pursued cautiously and quietly, and have yielded fair returns. One thing our manufacturers can do: In all goods that compete with United States productions, it is necessary to pay strict attention to *quality*. There is constant complaint of the inferiority of Canadian goods as compared with these, and we fear not without foundation. With a first-rate quality of goods manufacturers can defy competition.

#### PRIVATE EXTRAVAGANCE AND THE HARD TIMES.

Never before in the history of the United States has there been such a long commercial depression as set in with the crisis of 1873, and still continues with little abatement. So intense and general is the pressure, that anxious enquiries into the causes of the trouble have been started in all quarters. The first reason generally accepted was, that the hard times were the result of the civil war; then some maintained, and do still maintain, that the chief source of their difficulties is their rag money, with its shifting values; while others point to their ultra-protectionist policy, with its rings and exaggerated values, as the chief factor in producing the depression of which nearly all classes complain.

More recently public opinion has settled down in most parts of the Republic upon another cause, as having more to do than anything else in making the hard times so much felt and so long continued, viz: the extravagance among families and individuals. The ill-effects of the war, their currency and their fiscal policy are still felt, but many of their ablest writers contend that as a nation, and as families and individuals, they have for years been living altogether too fast—in other words, their

expenditures have been far too extravagant for their earnings. We have very little doubt that this opinion is correct. The prices of living, the rates of taxation, everything, in fact, has been at famine prices since the war, while countless millions of depreciated greenbacks so inflated everything that extravagance became the rule and economy the exception. The famous Micawber is reported by Dickens as saying: "Income £1, expenditure 19s. 6d; result—happiness. Expenditure £1, income 19s. 6d; result—misery." As it is with one individual, so it is with an aggregate of individuals composing a nation. If they will indulge in luxuries and extravagances beyond their earnings—if they will keep up a high style of living after inflated prices of labour, wages, and profits have ceased—the State loses instead of gains in wealth, and the return to good times must necessarily be slow and tedious. To any one conversant with American society, there can be no doubt as to this being one of the chief, if not the prime cause of their long-continued commercial depression. And many evidences are appearing to prove that the people themselves are learning the fact by bitter experience, and are generally commencing to live on a scale more restricted and suitable to the times.

We have referred to this point at the present time, because it contains a lesson for the people of Canada. It is freely admitted that personal extravagance has not been so widespread and excessive here as in the States. But who can look at our cities, towns, and even villages to-day, and compare family expenditures and styles of living with what they were ten years ago, and say we are not fast drifting away from economical and thrifty habits? Is not much of the present hard times throughout the Dominion attributable to expenditures which might have been avoided? How many Insolvents are there to-day who might have been doing well in business, if they or their families had not lived too fast? And of that large class who may be styled "hard up," is it not a fact that if thousands of them had practised economy and lived less sumptuously, they would not now stand shivering on the brink of bankruptcy? There is no concealing the fact, that in some quarters there has been considerable extravagance in Canada during the past three or four years. This has been chiefly among the mercantile, manufacturing, and mechanical classes; but it has extended almost to all. In some cases, comfortable homes have been left for more elegant, but often less comfortable houses; in others, the family carriage and extra servants have been indulged in; jewelry, silks, satins,