

justly chargeable to overproduction. Canada has produced larger wheat and grain crops than those harvested last year. In the United States the wheat crop approached 500,000,000 bushels, only about 150,000,000 bushels of which was exported. The flour milling plant of the United States is capable of converting that entire 500,000,000 bushels of wheat into flour in nine months' steady work. No wonder flour is cheap there, and that the farmer complains of low prices. An American contemporary points to the fact that years ago when protective duties were higher than they are now, the foreign demand absorbed in a single year more than twice as much American wheat and flour than it did last year, the cost of which to the foreign consumer was at least \$1.25 per bushel. The foreign consumer was obliged to have it at any price. Regarding the making of the price, the journal alluded to says:—"As a matter of fact Liverpool never makes prices for wheat in this country, except when our granaries are loaded down with wheat, caused by overproduction, and we know not what to do with it. Reduce the crops and the supplies to a minimum, and Chicago alone will make every wheat market in the world yield to her dictation as to prices."

It is discovered by the *Globe* that under Protection the price of wheat is depressed, and it promises that if Free Trade is adopted that higher prices will be obtained, or that the farmer will realize more money from his labors. This happy condition is to be obtained by selling where prices are high, and buying where prices are low and unaffected by tariff restrictions. Until a few years ago the United States imposed a duty upon coffee, but in 1872 that duty was repealed, and as far as that country was concerned in the article of coffee there was entire free and unrestricted trade with Brazil. This should have induced a large amount of commercial trading between the two countries according to the Free Trade argument; but the facts are that since 1872 the United States has imported the products of Brazil, chiefly coffee, to the value of \$821,000,000, while Brazil imported from the United States only \$156,000,000 of their products, chiefly flour and bread-stuffs. Further, previous to the removal of the American duty Brazil imposed no export duty on coffee, but as soon as the American duty was repealed Brazil imposed an export duty, whereby the price of coffee was never lowered in the American market. The duty was transferred from the American treasury to the Brazilian treasury, and the American people are experiencing to their cost that delusion of the Free Trade theory.

But suppose all tariff restrictions in trade were swept away, what then? Our markets would immediately become flooded with importations of foreign made merchandise, crowding out of existence all home industries, or forcing them to seek markets abroad that were denied them at home. If foreign markets could be found, the ships that carried the products of our factories to them would seek return cargoes. Of what would these cargoes consist? If to India or the Argentine Republic it would be wheat. What! bring cargoes of wheat to Canada? Bless you, no. They would go to England where all the surplus wheat of the world goes, where it has its effect in depressing the price of Canadian wheat. Canadian manufacturing industries would not be able to contend in the foreign markets of the world with the manufacturing industries of

England, France and Germany, and they would be forced into idleness. Being thus forced, the thousands of people employed in them would cease to be consumers of Canadian farm products, and would be forced into becoming producers of them. There would then be no diversification of crops, and all that would be left to the Canadian farmer would be to grow wheat and send it to Liverpool in competition with wheat grown in India by labour that costs less than ten cents a day.

Are Canadian farmers ready to make the change?

DIVERSIFIED INDUSTRIES.

THE stability of general prosperity is largely dependant on diversified industries. No one industry or series of industries running along a certain line of product can be permanently exempt from the fluctuations of prosperity and depression. The rise and fall of values, and the alternating changes in supply and demand are among the unfavorable conditions of industrial life. This ebb and flow is only simultaneous along particular lines, and where diversified industries are the rule, the depression consequent to the failure of one is largely neutralized by the prosperity of the other. To stake the well being of the community on the manufacture of one particular product, is, to say the least of it, exceedingly risky. Its failure is a catastrophe. The evil is wholesale, and misfortune general. The same law operates in agriculture. A farmer stakes his all in one particular crop, and if it fails he is on his back. Had he been wise and diversified his crops, the success of one or more would relieve him of the distress consequent to the failure of the other. A wide range of products obviates the danger. It is precisely so in industrial enterprises—stability and insurance against general stagnation lies in diversity. In the building up of our manufacturing centres this economic law is sometimes forgotten, and we find the bottom dropping out of numerous booms from just such causes. We believe in variety as being protective and wise, and the more diversified the industries of a city or a nation the less of risk is incurred of trade stagnation and its consequent industrial evils—*American Exchange*.

United States Consul General Way, at St Petersburg, Russia, in a recent report to his Government, states that "with the cheap labor of Russia, and its 450,000 square miles of arable land in Europe, it will always prove a formidable rival in the wheat markets of the world." The point of interest in this statement to both American and Canadian farmers is, that they cannot much longer expect a foreign demand for their surplus grain, as they cannot hope to compete with the cheap labor of both Russia and India. Their dependence must necessarily be on their own home markets.

An American contemporary, in calling the attention of the farmers of that country to the necessity of diversified farming, points to the fact that the value of farming lands in manufacturing States is very much greater than in States that depend almost wholly upon agriculture. South Carolina, for instance, has a rich alluvial soil, and is an old settled State, and yet the average value of her lands, according to the Agricultural Department, is only about five dollars per acre. But in Massachusetts, where the soil is rocky and is much more expensive to cultivate, the average value of farming land is forty-three dollars, in Rhode Island it is fifty dollars, and in Connecticut fifty dollars.

There is the same contrast in wages paid agricultural laborers. In New York, the average, with board, is over