

wanted. After that every one will be able to look after himself.

BRANCH LINE CHARTERS.

During the present session of the Dominion Parliament a large number of applications have been made for charters for railways branching off from the main line into the settled districts of the Northwest. We have on several occasions pointed out how essential branch lines are to the future well being of the country, and are pleased to see that capitalists show themselves alive to the necessity that exists.

Charters should be granted freely to every company that can show an earnestness to go ahead once the privilege is secured, and financial ability to do so. There is a danger of speculative companies obtaining control of charters, without any other intention than that of holding the privilege they have secured until they find some other company willing to pay them a handsome sum for it. Trading in railway charters should be carefully guarded against, as it cannot result beneficially to the country. The district it is proposed to supply is often left in a worse position than it was before. The ground is taken up, and others both able and willing to push the work ahead are kept out, unless they are willing to buy out the original promoters and pay a heavy sum into their pockets for a privilege which cost them nothing, and which they never intended to use for anything else than speculation.

Too much care cannot be exercised by the powers that be in satisfying themselves in this direction.

We want the railways as soon as possible, and in order to secure this object only bona fide companies should be entrusted with charters, and those which may prove to be only obstructionists left severely in the cold.

THE FAILURE LIST.

Bradstreet's report shows 260 failures in the United States during the week ending March 3, being 56 more than the corresponding week of 1882 and 126 more than the same week of 1881. In the same week 39 failures were reported from Canada, an increase of 10 over the previous week.

This is certainly a formidable list, and one which must cause business men to pause and consider. The Canadian rec-

ord is not such as to give any cause for alarm, although a much better state of affairs is desirable. But the report from across the line shows that the state of trade in that country is in a condition far from healthy. There is on all hands great occasion for caution and careful management in the conduct of business. The necessity for exerting wise prudence and for restricting trade to safe limits never was more pressing. Allied as we are so closely, commercially, with the United States, Canada must necessarily be to some extent affected by the condition of trade and finance there. THE COMMERCIAL has no desire to appear in the role of an alarmist, but only takes the opportunity to again warn its readers that, judging from appearances, there is the possibility of commercial disorder, but remote enough it trusts as yet to enable many to prepare for whatever may happen. There should be a careful contraction of credits on all hands. Cheap credit there has already been enough of. Let there be an end to it—for the present at least. Every one will profit in the long run by following this course, whether it be seller or buyer. Business will be all the more healthy for it, and a great deal of anxiety saved thereby.

THE LUMBER TRADE.

The vast quantities of logs and timber that are being taken out during the present season in the Lake of the Woods and Lake Winnipeg districts, and which will be manufactured into lumber in the spring points to a supply of the home product far in excess of what has yet been known. Enterprising capitalists, many of them at the same time practical men, have gone into the business of supplying lumber from our own forests in earnest. There seems to be little danger this year of the dearth of building material in this line which occurred last season. There may perhaps be somewhat of a scarcity for a while early in the season, but so soon as the mills get fairly running the supply will be equal to all demands. Besides the local product there will also in all probability be a considerable supply from outside.

This must, according to the usual course of events, result in a more reasonable rate being charged for lumber. The city has already made a contract for a million and a half feet at a price considerably below that of last year. Private

parties cannot but reap a corresponding benefit. Even at a figure below that of last year the manufacturers will have good margin of profit left. Of course the demand from the rising towns outside and from the farmers in the country will be largely in excess of any previous year, but the supply in sight is correspondingly increased.

The whole country will reap a benefit by the large supply. Last year the great draw back to building operations in many cases was the inadequate supply, but it does not seem as if this would occur again. In the United States there has also been a slight drop in prices. At a recent meeting of the lumbermen's Exchange in St. Paul, reductions were made in all descriptions of timber and lumber, so that if it does happen that we have to fall back upon the yards across the line for some of our supplies that could be provided at a figure under that of last year. So that on the whole the prospect of cheaper lumber this year is good all around.

THOSE LUMBER TENDERS.

The method adopted by the city in making contracts is rather peculiar. Some time ago they advertised for tenders for 1,500,000 feet of lumber for city purposes. The tenders were opened in due time and the council at the first meeting thereafter, awarded the contract to the lowest at \$24.66. The winning tenderers are new comers to the city. Local pressure was brought to bear upon the council and the august body met again, rescinded their former resolution and awarded the contract to the next highest. Such a mode of dealing with tenders is certainly not according to the ordinary rules of doing business. The whole object professedly arrived at in inviting tenders was to obtain the lumber at the lowest figures. The tenderers presented their offers in perfect good faith believing that whoever was the lowest would be sure to get it no matter who he might be. The lowest tender was accepted in the first place, then after all the figures are made public one firm thinks fit to amend his tender so as to bring it below the one which had been successful. The council allows this to be done, and the party who should have got it, and did get in the first place, is left out in the cold. Further comment is unnecessary.