

of sound reasoning, in the arguments which influenced their course, and there was manifested, at least at the outset, so great a readiness to discuss and articulate, that their cause commanded an unusual amount of sympathy. This was in some measure alienated by the violence and rioting which took place at Preston, Blackburn and elsewhere—but for these acts the strikers were only in part responsible, the mobs being made up largely of idle ruffians who made the strike an occasion for plunder, very much as in Pittsburgh a year ago and in Quebec last month. Still, the hard facts of the case remain, and at least two lessons are to be gathered from them: First, that little good to either is likely to come out of organized dictation of labor to capital; second, that when strikes are undertaken during a depressed or falling market, it is labor, not capital, which will go to the wall, for the reason that manufacturers can better afford to stop than to go on, while the operatives cannot afford even a week's loss of wages.

THE MATERIAL STABILITY OF CANADA.

The ebb and flow of commercial prosperity is dependent upon causes as real and substantial as those which regulate the rise and fall of the tide. The protracted depression of trade which has prevailed in this and other countries for some years past is traceable chiefly to overtrading, and to that condition of easy credit which superinduces unhealthy competition in trade. Yet the records of insolvency, reckless trading, and mercantile defaulting to be found in the columns of this journal are not, as the ordinary reader might suppose, evidence of the commercial instability of the country. On the contrary, these records furnish the best security that real stability is being protected, by rotten concerns being got rid of, and shaky firms being sufficiently strengthened or wholly suppressed. The statistics of bankruptcy for the first half of the present year, just issued by Dun, Wiman & Co., give the total number of failures during the first six months as 947, representing liabilities amounting to \$13,508,729; against 1,223 failures with \$15,151,837 of liabilities during the corresponding period of last year. It is but reasonable to infer that a survival only of the fittest follows a protracted period of commercial crises, and we may now regard Canadian trade and commerce as on a sounder basis than ever. It is a popular fallacy to regard the manifestations of a disease as the disease itself.

The pustules which are the manifestation of small-pox are not the disease, but the evidence that nature is eliminating the disease from the system. So with our trade and commerce; the mercantile pustules—the failures and bankruptcies which have taken place, are only so much evidence that an unhealthy condition of things has been undergoing a process of purification.

It is worth noticing that the middlemen constitute the great bulk of those who figure in the bankruptcy and black lists. The evidence of a country's material stability is not the solvency or insolvency of these, for amongst that class speculation is often an important factor, and credit is sometimes manipulated in a fashion which dissociates it from substantial security. Canada's back-bone at present is, the produce of the farm, the forest, the sea and the mine, together with the industries and manufactures more or less immediately connected with these. With the exception of the lumber trade, the staple products of Canada have been developing all through these hard times at a reasonable ratio. The products of the farm and the sea especially have received a great impetus during the last few years. The exportation of dead meat and live stock is a branch of trade which has been wonderfully developed during that period, and promises to become a source of perennial profit both to the rural community and those engaged in the carrying trade. Last year's harvest was above the average, and there is every promise of that of the present year being bountiful. According to Whitcher's Report, which lies before us, the value of the Canadian Fisheries increased from eleven millions of dollars in 1876 to twelve millions of dollars in 1877. This is without taking into account the half million of dollars a year which is to be paid us in a lump sum by the American Government under the Halifax Award. Indeed, with a revival of the lumber trade, which is sure to come soon, and an increased determination of capital toward the development of our minerals, we conceive for Canada during the next decade a degree of prosperity which will more than double her material wealth.

There is one factor in Canada's immediate future which must not be lost sight of. Since early in the past spring, immigrants have been pouring into Manitoba and the North-West at the rate of a thousand a week. This, doubtless, is but the advance guard of the hordes which will follow, for we are satisfied that the rapid settlement of Illinois and Iowa is about to be paralleled in our own North-West within the next

few years. The immediate effect of this will be, the creation of a new and great home market for our merchants and manufacturers. The building up of the North-West is going to do for the provinces on the St. Lawrence what the development of the Western States did for the Seaboard States of the Union. We may, therefore, look forward to two things in the immediate future which are calculated to make us hopeful of good times, first, the restoration of a healthy basis for trade and commerce in this country, and, next, an indefinite extension of the home market for merchants and manufacturers in the North-West.

PROSPECTS OF THE LUMBER TRADE.

The stagnation in the lumber trade continues, but there are circumstances which seem to promise its speedy revival. The demand for lumber in the Western States is rapidly growing, while the supply produced last winter in Michigan, Wisconsin and Minnesota is proving to be wholly inadequate to meet that demand. The immediate cause of the short supply was, of course, the difficulty of bringing out the logs last winter, owing to the absence of snow. Tramways have been built, and all sorts of devices have been tried, to overcome this, but in spite of all the supply is going to fall far short of the demand. The consequence will be, the heavy duty on lumber notwithstanding, that Western dealers must import Canadian lumber. We should not be surprised to find, within a very short period, a brisk and profitable trade in lumber springing up between Canada and those Western States which have hitherto been dependent upon Michigan, Wisconsin and Minnesota for their lumber. This is all the more pleasing that, as will be seen from our markets report, there is no demand for our pine timber in the English market.

Had the United States duty on pine timber been reduced from \$2 per thousand feet to \$1, as was proposed in the Tariff Bill which was before Congress last session, we would have had the whole of the Eastern States for a market, as, even handicapped by a duty of \$1 per thousand feet, we can produce lumber cheaper than American manufacturers. But in a very few years the question of import duty will have very little weight, as it is evident that it will not take long to exhaust American timber. There are only four States which are now able to furnish supplies beyond their own requirements, namely, Maine, Michigan, Wisconsin and Minnesota. With regard to the three latter States, the great demand for lumber, and the monopoly which they had of the market, naturally caused a great inroad to be made on their timber limits, and many symptoms of exhaustion are showing themselves. In regard to the State of Maine, it will soon be out of the reckoning altogether as a lumber-exporting State. During the last eighteen years the demand for lumber has increased fifty per cent., yet during the past season the produce of lumber in the State of Maine has decreased one hundred per cent. A well-informed correspondent of the *North-West*