

# The Commercial

WINNIPEG, JAN. 2, 1883.

## RETURNING CONFIDENCE.

There seems little doubt but that the threatened danger in connection with the monetary affairs of the Dominion, which caused such an uneasy feeling some weeks ago, has passed over, or at least has been arrested for a time. This can be said only in connection with the developments of last week, as up to two weeks ago the monetary stringency in Eastern circles was in no way relieved, although excitement was turned into calm anxiety. The decided firmness in bank stocks during the past week is about the best evidence we can see of returning confidence, and we accept it as such. Returning from Christmas festivities to business, operators on change seem to have started in with renewed confidence, imparted to their transactions some of the cheerful feeling that they acquired from their Christmas recess, and gave stock quotations an appearance, which makes commercial circles breathe a sigh of relief. The advance in the stocks of several banks has been as marked during the week as was their decline three weeks ago, and 1882 has closed with a very hopeful feeling altogether. While this improvement has been going on in Canada, stocks in the United States, and especially railroad stocks have been going in exactly the opposite direction. In one day the stock of a leading western company declined four per cent., and others were almost, if not equally depressed. It would seem, therefore, that the connection between stock speculators of Canada and the United States is not a very intimate one, and does not prevent stocks in the two countries from running in directly opposite directions at the same time. Yet we are assured by eastern contemporaries that a heavy share of Canadian margins are at present locked up in United States speculations, and are at a loss to reconcile the statement with the past week's stock developments.

Leaving the affairs of the United States for a time, there certainly is good reason for expecting a more confident feeling in Canadian monetary circles with the opening of 1883, and we hope the feeling will soon extend to the North-west. Banks here are merely branches of eastern concerns, and too frequently funds are per-

emptorily called away to eastern centres when a temporary stringency occurs there. It might be said that commerce proper is thus hampered in the North-west, often to meet emergencies which eastern speculation has created, and it will doubtless remain thus until better means of retaining floating capital in this country are secured. Even the distant speculators who send capital to the North-west, leave but a small share of it available for commercial purposes, but bury it in investments where a fixed but limited rate of interest is secured. These evils we suppose we must bear with for a time, but with the opening of 1883 there is reason to believe that they will for a time be mitigated, and that the monetary and whole commercial circles of this new country have entered upon a **HAPPY AND PROSPEROUS NEW YEAR.**

## INSOLVENCIES OF 1882.

Too many of us in the North-west have been accustomed to look only on the bright side of business affairs, and forget that to the general prosperity which surrounds us there are some exceptions. It would only be following the foolish policy of the hunted ostrich, did we not view such cases fairly and squarely, and weigh them in the balance with the evidences of commercial prosperity, which have been so freely heralded. With this spirit we take a retrospective view of the insolvencies in the North-west during 1882.

The total of insolvencies during the past year number twenty-eight, fourteen of which have occurred in the city of Winnipeg, and ten at other places. The total estimated liabilities of the twenty-eight are \$290,800, and the total estimated assets \$221,800, showing a discrepancy of \$69,100. The total liabilities of the eighteen failures in Winnipeg amounted to \$213,900, and their estimated assets to \$174,400, showing a discrepancy of \$39,500. The liabilities of the ten outside insolvents reached \$77,000, and their estimated assets to \$57,400, leaving the discrepancy of \$29,600. The heaviest failure in Winnipeg showed liabilities of \$54,000, and estimated assets of \$52,000; while the heaviest at any other point showed liabilities of \$9,000, and estimated assets of \$8,000. It should be stated however, that one of the heaviest of the Winnipeg failures was of a branch house of an eastern firm, and the disaster had its origin at the headquarters of the house-

and this fact reduces the aggregate liabilities of the Winnipeg insolvencies by fully \$50,000. There can be no doubt, but when creditors came to realize on assets, the above figures would be greatly reduced, and it would be about fair to place the realization at half of the estimated assets, or in figures at \$110,900, which would make the discrepancy \$190,000. This reduction of the assets would place those of Winnipeg alone at \$87,200, and the discrepancy at \$126,700. This heavy reduction in assets we make owing to the fact, that a large proportion of those were in real estate, which had to be sacrificed in several instances to make a speedy realization for pressing creditors; and in fact over forty per cent. of the failures were the results of attempts to carry too heavy loads of real estate.

Taking these figures as the basis of our calculations it is a wise course to compare them with an approximation of the business done during the year, and the probable profits arising therefrom. We say approximation, as it is yet impossible to obtain the actual figures regarding the aggregate business of 1882. It is safe to take the figures of 1881, however, and add fifty per cent. to those, and when actual returns are made up it will be found that this approximation is under the mark.

The manufactures of Winnipeg in 1881 represented an aggregate value of \$6,976,000; the wholesale mercantile business \$6,236,000; the retail mercantile business \$5,908,000, and other institutions incapable of classification, \$1,300,000; making a total business in the city for that year of \$20,120,000. With fifty per cent. added as the probable increase for 1883, the figures would be \$30,180,000, or say in round figures, \$30,000,000. It should be stated, that the figures given of the business of 1881 excludes all real estate transactions and represents only goods or labor supplied for money, and those we accept for 1883 naturally represent the same. The \$126,700 of a discrepancy caused by the insolvencies of last year, however, includes over forty per cent. which should be laid to the account of real estate business, but to take the sternest view of matters, let us attach all to the trade affairs of the city.

Taking \$30,000,000 as the aggregate business of the city during 1882, it is a modest claim to say that the net profits arising therefrom would be ten per cent.;