

witness refused to find a place for pork in the list of his natural industries, and differences over pork duties showed themselves. But there are and must be industries for which the country is peculiarly adapted. Among them are the fisheries and the forests; the first a permanent, the latter an exhausting industry. Farming is another. That which a country has some advantage in doing, it had best do. But where other countries have a natural advantage over us, the competition is not equal, and in entering the race we must accept the handicap. If the community makes up the difference to the individual, the country is the loser. In that case, the interest of the individual and the interest of the community is not the same; their interests are antagonistic. United States cotton growers admit that they cannot grow cotton equal in quality to Egyptian, and yet they wish to exclude Egyptian. One witness at Washington said it cost him three times as much to make certain kind of hose as they are made for in Germany. The natural conclusion would be that Germany, in this particular, has an advantage which it is useless to attempt to rival; but that American labor ought to be exerted in industries in which the United States is not at a disadvantage. In this way, both nations in changing their products, would reap the greatest benefit. The American hose manufacturer did not take this course; he called upon the Government to level up, in the form of duties, in other words to enable him to exact the price of three pairs of hose for one pair.

Until particulars of the Pacific cable agreement are officially made public, speculation will be rife as to details. The lowest tenders for the work are said to range from £1,517,000 to £1,800,000; the higher figures represent a higher power of transmission, the difference being from 12 to 18 words a minute. The Laurier Government is said to have made it a condition of its support of the line that all the landing places should be on British soil, where it could not be destroyed in case of war, provided, of course, that the coasts in the neighbourhood of the landing be duly protected by a naval force. And this contention prevailed. On another point their contention was not so successful: that the work should be undertaken, as a joint enterprise by the governments interested; others favored giving aid in the form of subsidy to an independent company. Whether a definite conclusion was reached does not appear. If the governments are to find all the money, why should a private company come in to share the profits?

1896 FAILURES IN CANADA.

The year 1896 was not a satisfactory one for either merchants or manufacturers in the Dominion, as a class; it was a difficult year, a trying year. Fluctuations in price of commodities made it trying for the merchant, and the turmoil of a general election, resulting in the success of the party known to favor lower import duties, caused, and still causes, apprehension to the manufacturer. The previous year had not been a good one; people over here were awaiting revival of trade in the United States after the "set back" it received by the Cleveland-Olney war scare, but that revival has not yet come. Altogether we have had twelve months of unsettled trade, done under changed and still changing or threatening conditions, and while our export trade has been perhaps more satisfactory than the import trade, it is not wonderful that the number of mercantile failures has increased beyond those of 1895. We give below a comparison of the two years, the figures being taken from *Bradstreet's*, which counts as failures only cases of suspended payment where liabilities exceed assets. In

Canada for the past two years the failures of this class have been as follows in the different provinces:

| Province. | No. 1896. | Amount Liabilities. 1896. | No. 1895. | Amount Liabilities. 1895. |
|----------------------|--------------|---------------------------------|--------------|---------------------------------|
| Ontario | 930 | \$5,024,476 | 800 | \$6,094,214 |
| Quebec | 870 | 8,158,426 | 749 | 6,881,281 |
| New Brunswick | 81 | 597,311 | 67 | 446,394 |
| Nova Scotia | 155 | 782,520 | 114 | 838,088 |
| P. E. Island | 23 | 125,737 | 10 | 80,890 |
| Manitoba | 29 | 323,599 | 38 | 359,260 |
| The Territories..... | 19 | 104,085 | .. | 152,700 |
| British Columbia.... | 72 | 1,092,306 | 85 | 495,104 |
| | 2,179 | \$16,208,460 | 1,876 | \$15,347,931 |

The increase in aggregate of liability is not so great as in number, being \$860,000, or less than six per cent., while the number is greater by 303, or say 16 per cent., than in 1895, while the failed houses show an improvement in assets equal to about 11 per cent. The showing is decidedly better than that of the United States in the same respect, as an article elsewhere shows.

THE FAILURE LIST IN THE STATES.

Commercial and financial conditions in the United States have for months been untoward, and the result is shown in the statistics of failures for the year 1896. The worst months for failures in that country were August and September, during which the aggregate of manufacturing liabilities was \$15,600,000 larger than in the same months of 1895, trading liabilities \$10,100,000 larger, brokers' and other, \$10,300,000 larger, making an excess of thirty millions in all. *Dun's Review* of January 2nd makes the statement that there were more commercial failures last year than in any year except 1898, the number being 14,890 with liabilities of \$225,000,000, as compared with 13,197 with liabilities of only \$173,196,000 in the year 1895.

The singular and confusing fluctuations in prices of commodities in the States show what obstacles business men have had to face.

Wheat, for instance, rose to 81 cents per bushel in February, fell to 60½ in June, and rose to 92 cents in December.

Cotton began the year at 8.31 cents per pound, fell to 7.62 in March, rose to 8.37 in May, fell to 7.02 in July—a heavy surplus pressing—rose to 8.87 in September and dropped to 7.12 at the close.

Wool had risen in February to an average of 14.74 cents per pound for domestic grades, fell to 12.16 in September, went as high as 13.66 on 1st December, from which point it has since declined.

Cotton goods were at their highest point at the beginning of the year; in seven months they fell 17 per cent., by November had risen 7 per cent., and have since declined about 2 per cent.

Iron and its products rose 8 per cent. between the beginning of the year and April 1st, and declined steadily till 1st December, say 20 per cent. in all, but has since recovered slightly.

In the spring months boots and shoes fell 13 per cent., against leather 18 and hides 21 per cent. Then shoes rose gradually about 20 per cent. to December, leather 17 per cent.

Hides showed remarkable fluctuation, rising 25 per cent. to June 8rd, dropped 22 per cent. to July 8th, and rising 50 per cent. to November 4th, since which date they have declined 13 per cent.

The year closes with an epidemic of failures, the *Review* continues, mainly at the West and in banks, loan and trust companies, or concerns dependent on them. "The action of clearing houses in various places indicates no want of confidence, and several banks which have failed will be en-