

we extend the field of observation a little, we find that country carriage makers here and there in the Dominion are being supplied with cloths and fittings by old country houses instead of by Canadian wholesale importers. And further, that even exporting houses in Germany send travelling agents to take orders for textile wares from Canadian upholsterers and cabinet-makers.

A point urged by our informant is that the volume of dry goods business done by importing houses to-day is smaller than it was a dozen years ago. "In 1882," he says, "I sold more goods than in any year before or since." Very likely he did, for those were "booming" times; the National Policy tide was swelling then, and people were buying machinery for the manufacture of textiles (beyond the wants of the country) with a freedom and confidence they will never exhibit again; the Canadian Pacific Railway was building; money was plentiful, and prices were high. We are witnessing—and feeling—just now the ebb of the tide. Prices of commodities have been reduced. Dollar wheat is a memory. The profits that merchants used to get for any merchandise, home or foreign, are cut down. Therefore the lower values of merchandise may show a reduced aggregate of business, measured in money; and assuredly the merchant whose yearly turn-over is thus reduced, and whose profits upon that reduced turn-over is reduced, and who finds his percentage of expense in warehouse and on the road heavier than ever, is not likely to feel encouraged.

But some one may say: Many of these wholesale dry goods failures occurred *before* this serious change in conditions. How then is their failure to be accounted for? Clearly, in some cases, from inadequacy of capital. Buying on long credit and selling on long credit hundreds of thousands a year, paying interest on discounts, spending money too freely in living expenses, allowing a margin—a broad margin—for bad debts—all this cannot be done on a capital of three or four thousand pounds. Again, inadequate profits. As a trained observer puts it: "The importing house, newly begun, cuts prices in order to get the trade, thus establishing a false basis of price and an unremunerative business." It is also true that too many houses were dividing up the trade. They could not all survive.

It will not be amiss to remind the smaller retail dealer, who is newly enamored of being styled "direct importer," and who gives his order to an English agent with a certain swelling of the heart in consequence, that the plan has certain disadvantages. He ought to know that the handsome and voluble agent who sells him the goods on time is well paid, and that his travelling costs something; also that the expense of his salary and hotel bills is put upon the goods the importer buys. Secondly, there is always a temptation to overbuy. Then, too, it requires cash to pay duty upon imports. Query—how much discount could he command if he went with this cash to a Montreal or Toronto wholesale house? From 12 to 18 per cent. per annum!

WORD ABOUT LUMBER.

A Detroit merchant who has lately been east as far as Albany, Cincinnati, Pittsburg, tells us that he has found in all these cities, as well as his own, a considerable increase of activity in preparation for spring building. A Philadelphia paper notes also that there are far more buildings going up this spring than last in that city and Brooklyn. While the Chicago *Lumberman* has word that in St. Paul, Omaha, St. Louis, New Orleans, as well as in Philadelphia and Washington, and other Eastern cities, there were building permits issued to a larger amount in February, 1896, than in February, 1895. All this must

insure, sooner or later, an increased consumption of lumber. A letter from New Westminster speaks of the reviving activity in trade and of other matters. Says the writer: "If a man lives much out-of-doors here and his life is active, the peculiarities of trade, supplemented by the climate, bring out all there is in a man. Prospects for the season's trade seem rather more encouraging within the past month. A lumber dealer tells me he has accepted orders for some thirty cars of cedar lumber and shingles, points of destination being Manitoba, Ontario, Boston, Jersey City, Halifax, etc."

FEEDING THE UNITED KINGDOM.

The suggestive title of an article in the January issue of the *Nineteenth Century* is "Can the Empire Feed its People?" Having laid down the principle that our first duty to those who obey the British sceptre and who fight our battles is to ensure their food-supply, the writer essays to show, first, that while it might be possible to provide the necessary food of the people upon our own [United Kingdom] soil, this could only be done by importing enormous quantities of cattle foods and manures, so that the remedy would be as bad as the disease; and, second, that under conditions of co-operation with colonial governments all the surplus food stuffs the British Islands require could be produced in Canada, India, Australia and South Africa.

Mr. James Long—it is he who writes the article—contends that the reason the produce of the British colonies is so small, as compared with their area, is the lowness of prices of cereals. With higher prices, modern machinery, and scientific methods, they could, in case of necessity, increase the food-stuffs product of the United Kingdom, and he quotes Sir John Lawes [1879] to this effect. But on the next page, it is stated that "the production of wheat in Great Britain, except upon a diminished area of the best land, is a thing of the past," so much more cheaply can India, Russia, Canada and the United States raise that grain.

The requirements of the United Kingdom at six bushels per head of the population are 233,000,000 bushels, and she raises 64,000,000 bushels, leaving 167,000,000 to be provided.* Now, judging from the average wheat yield of 1891-93 of Canada, Australia and India (50, 39 and 19 million bushels respectively, with 54 millions deducted for their home consumption and seed) the deficiency in supply would be over a hundred million bushels. So that the colonies are not at the present rate of production equal to supplying the Mother Land.

But what is their latent capacity? asks Mr. Long. And his answer is that "55,550 farmers in the Canadian North-West, each occupying a quarter-section of land or more, and growing one hundred acres of wheat, at an average of 18 bushels to the acre, would suffice" to yield the needed hundred million bushels; while he shows that the Red River plateau of Manitoba alone has probably 4½ million acres of the finest wheat land, which should produce 80 to 100 million bushels, and there is the upper plateau and all the spacious western territories besides. Then in the Australian colonies, twenty-four times as large as the United Kingdom, "there are cereal areas which are believed to be capable of supplying a continent with bread for all time"; in New Zealand alone "there are 28,000,000 acres adapted to the production of arable crops," and the producing capacity of India and Africa is "practically unlimited."

* In 1892 the actual wheat import of the United Kingdom was 176,000,000 bushels.