

The Commercial

WINNIPEG, JULY 1, 1884

LAST QUARTER'S INSOLVENCIES.

Nothing can more forcibly illustrate the gradual improvement in the state of trade in the Northwest than the steady decrease in the number and magnitude of insolvencies which has been going on since last fall. There can be no doubt but the results of the third quarter of 1883, in this respect, sent a thrill of nervous agitation through the commercial circles of this country, from which recovery has been slow. The number of insolvencies during that quarter were 87, and their aggregate liabilities nearly one million and a half dollars. The closing quarter of the year brought about only partial confidence, although the number of insolvents fell to 35, and their aggregate liabilities to \$415,000. The first quarter of 1884 was much more reassuring, the number of failures being only 32, and their aggregate liabilities \$286,000. We have now reached the close of the second quarter, and the record of misfortune has again shown a marked decrease, the number of failures being only 17, and their aggregate liabilities only \$174,200. Even this estimate includes a coal company and a heavy mercantile failure whose united liabilities reach \$85,000, but who were strictly speaking among the failures of 1883, having been on the hang since last winter. Deducting these, the aggregate liabilities of the insolvents of the past quarter would be under \$90,000. This record is certainly encouraging, when we compare it with that of the corresponding quarter of 1883, when we had 44 failures with aggregate liabilities of \$596,000. The most incredulous should be convinced by a comparison of these figures that we are rapidly reaching a state of commercial safety, such as exists only when trade is in a perfectly healthy state.

In connection with these figures it may not be uninteresting to note how these insolvencies are distributed. Only five out of the seventeen took place in Winnipeg, the heaviest liabilities in any case being \$30,000. Of the twelve which took place in the country the liabilities of one was \$55,000, so that the two highest make up nearly half of the total liability, while the remaining fifteen range in liabilities from \$20,000 down to \$1,000.

In connection with the decrease in insolvencies it must be borne in mind that there has been a heavy decline in the liabilities of the whole mercantile community. There has also been a heavy falling-off in imports with a corresponding increase in exports. In short every indication is in the direction of improvement and approach towards trade independence. The age of recklessness has passed over us, and traders in the Northwest have entered upon one of economy. To lessen liability as much as possible has been their steady aim, and they have accomplished wonders in that direction. If they have run a little to the opposite extreme of commercial parsimony, they are quite excusable, and the slight error thus made has been on the safe side. The results now are that goods can be sold with perfect impunity all over the Northwest, and the chances of payment are better than they are in any other province of the Dominion.

The business changes which have taken place during the past quarter have not all been the result of failures. On the contrary over 500 traders have gone out of business and a slightly larger number have succeeded them, the actual increase during the three months being 32. Taken altogether the record even of business misfortunes during the past quarter is an encouraging one, and its figures should make the most inconsolable of business alarmists heave a sigh of relief. Let us hope that the work of improvement will go on, and that 1884 will show as rapid a recovery in trade affairs as 1883 showed a decline. Should the harvest prospect brighten as it has during the past month there is no fear but the year's record will be of the most cheering description.

THE MANITOBA NORTHWESTERN.

It is now an open secret that the Manitoba Northwestern Railway Co. are open for offers in the line of bonuses, right of way grants and so forth in lieu of the extension of their main line from Portage la Prairie to Winnipeg. The Company have in no way advertised this intention on their part, but it is pretty certain that were the conditions agreeable in every other respect it would not require a great amount of coaxing to persuade them into the proposed extension.

The extent of line construction necessary to bring the Manitoba Northwestern into Winnipeg is something scarcely

worthy of notice, when compared with the advantages the work would bring to the city, and a large proportion of the Northwest. The Company have for their objective point Prince Albert, the key to the upper valley of the Saskatchewan, which must before many years become one of the best wheat producing sections of the whole Northwest. The products of this valley must ere many years have an outlet to the eastern world, and with the eastern terminus of the M.N.W. at Portage la Prairie, the route to the outer world have to be as the C.P.R. directed. It is true that the M.N.W. have by agreement powers of running over the C.P.R. to Port Arthur of the most favorable nature. But these powers are framed so as to force all freight to Port Arthur and keep it out of the reach of lines running south, and thus shut off all competition in routes. The M.N.W.R. Company are shrewd enough to see this hampered position in which they must in a few years be placed, and it is but natural that they should be desirous of securing independent communication with the capital of the province, and in time, with all routes leading therefrom to the eastern world whether by the south, east or north.

The advantages to be secured by this new railway connection are no. all on the side of the M.N.W. Company. On the contrary Winnipeg would be a great gainer thereby, and especially the wholesale mercantile community thereof. An immense field for trade must soon be opened in the upper valley of the Saskatchewan, which for many years must be tributary to Winnipeg, and experience has shown that a route, where the C.P.R. possesses no monopoly, would be much superior to one where a monopoly existed. The people of the Saskatchewan valley would also be gainers by the extension, and would doubtless have a cheaper and better freight and passenger service, than by depending upon two companies. As a matter of trade importance, therefore, the extension of the M.N.W. to the city of Winnipeg would be of great value to many over the Northwest.

But to look at this proposed extension in the light of a move towards development, the advantages are decidedly great. By constructing the line along the south side of the Assiniboine River the opening up of one of the finest dairy and cattle raising districts of Manitoba would be the result. It is estimated that the country