

ber of the United States, has left serious traces in Simcoe and Victoria counties and elsewhere by flattening many a hundred acres of grain which only cool and breezy weather can restore. Much barley will certainly be discolored. Prospects are very favorable in Manitoba and the North-West. "Wheat, barley, oats and peas crops are alike very fine," says a report of July 30th. "The wheat is fast heading up, and from present appearances we are likely to have such a harvest as has not been seen for many years. The weather has been wonderfully fine."

A temptation to the country storekeeper, as well as to the wholesale merchant is found in the fact that merchandise of all kinds is plentiful and cheap; too plentiful, indeed, and too cheap. Many a one may be induced, by the belief that goods can go no lower, to buy freely and thus relax the safe rule, so long observed by many, of buying "from hand to mouth." Farmers, even supposing the vicissitudes of the harvest to be safely passed, will still have their hands full, considering the prevailing low prices for their field products, and it is not a good time for retailers to stock up heavily. Imports by wholesale men have been prudently restricted, judging from the Customs returns; but Canadian textile manufacturers have by no means too closely restricted their out-put while their inducements to buyers, in the way of low prices and dating ahead, were scarcely ever greater.

It is agreeable to learn that prudence is largely exercised by business men in their living expenses, at a time when profits are so cut down by fierce competition. The cost of conducting a business, rents, salaries, travelling salesmen, and the many adjuncts of modern commerce are items of expense which must be met, profits or no profits. It goes without saying that houses whose turn-over is large have "the pull" over smaller concerns in the lesser proportion which expense bears to gross profit. No mistake can be made in keeping living expenses down. The error of too many manufacturers and wholesale dealers has been in launching too soon into habits of ostentatious extravagance which are much more easily acquired than given up.

A grave feature of the situation is thus noticed by a correspondent: "I contend that Canadian textiles are sold on too long terms, too easily, and that advantage is taken by some houses to buy them on these long terms, sell them for cash or at short dates and *finance upon them*, whereas, if they had to buy British goods exclusively, such houses would be unable to pay cash for duties, &c." And he instances failed firms whose existence, always precarious, was prolonged by means of purchasing these domestic wares, where, but for this artificial aid, they must have succumbed earlier. Shorter terms are certainly necessary, if we are to have a healthy basis of credit upon which to work. But in the present congested state of our textile manufactures it appears hopeless to expect immediate improvement.

CHEAP MONEY.

There is a glut of money, almost every where. Bank reserves in New York are unusually large, in fact the banks of that city are burdened with a plethora of money that is earning nothing, which shows, in the opinion of the *Shipping List*, that whatever demand exists for the purposes of moving crops is more than supplied from the accumulation of funds at interior points. Although the outlook is favorable so far as the American crops are concerned, there is no development of commercial activity there sufficient to harden rates of either interest or discount. In Scotland, according to the *Edinburgh Scotsman*, the two per cent, hitherto allowed on deposits by the banks is to be at once reduced to 1½ per cent.

Congested prices at length reached money, in Canada, and our banks are refusing round amounts even when offered at two per cent. for fixed periods by depositors. None of the banks refuse to give the usual three per cent. to their ordinary regular depositors for ordinary savings. But they appear to shun everything in the shape of so-called investment money. It seems they cannot get better than 5/8 to ¾ of one per cent. per annum in London on best securities up to 50 or 60 days. One per cent. less ½ state tax in New York. Three per cent in Chicago, and only about three per cent. in Montreal. One bank has offered call money at 2½. These banks that have a surplus and cannot employ money except in New York or London must in the nature of things be handicapped in earning dividends.

A good harvest will tend to reduce the loans by the banks, and will increase deposits—what is to be done with the money? The mercantile community will at once seize the opportunity of the keen competition between banks to get a reduction of the discount rate, but it may be doubted if they will take more money at the reduced price than they have now. The banks will then be compelled to reduce their deposit rate. This may in turn cause depositors generally to look round for other investments: stock, land, buildings, but any reduction in bank rates may again cause more money to be deposited with the government at 4 per cent.

CURTAILING PRODUCTION.

Twenty-two New England mills, among them almost all the print cloth mills, the list representing 1,030,000 spindles and a weekly capacity of 138,400 pieces, shut down last week. The *Fall River Daily Globe* gives the following list of mills shut down that week and the curtailment thus gained:

	Weekly Number of Spindles.	Produc- tion. Pieces.	Weekly Pay- Roll.
American Linen Co..	82,542	10,500	\$ 4,700
Barnard Mfg. Co....	32,520	4,500	1,800
Chase Mills.....	50,200	6,800	2,800
Fall River Mfg.....	27,392	3,500	1,500
Flint Mills.....	40,064	6,000	2,700
Granite Mills.....	79,000	10,500	4,500
Laurel Lake Mills..	34,048	5,000	1,800
Mechanics' Mills....	53,712	7,000	3,200
Merchants' Mfg. Co.	87,496	12,000	5,900
Metacomet Mfg. Co.	25,760	3,000	1,400

Narragansett Mills..	32,144	4,500	2,000
Osborn Mills	43,156	6,400	2,500
Richard Borden Mfg. Co	47,616	6,000	2,700
Robson Mills	23,648	3,300	1,500
Sagamore Mfg. Co..	47,948	5,500	2,600
Shove Mills.....	60,128	8,000	3,600
Slade Mills.....	40,624	5,500	2,500
Stafford Mills.....	38,800	5,400	2,250
Tecumseh Mills....	46,348	6,000	2,700
Troy C. & W. Man'ty.	38,928	4,800	2,200
Wampanoag Mills..	66,432	9,200	3,600
Weetamoe Mills	34,080	5,000	2,200

Total.....1,080,286 138,400 \$60,650

It will be seen that the four weeks' curtailment will lessen production by about 650,000 pieces and will cause a loss in wages amounting to over \$240,000. The Weetamoe, Mechanics, Narragansett, Rich. Borden, Troy, Shove, Metacomet, Barnard, Wampanoag, American Linen, Stafford, Flint and Fall River Manufactory will be shut down during last week of July and will run alternate weeks until the four weeks have been stopped. The other mills that have signed the agreement will shut down as it may suit their convenience. The Pocasset mills have for some time been running four days a week only. The Union and Durfee mills will not join in the curtailment. The Everett Mills at Lawrence, which have been idle for three months started 100 looms on the 27th ult. The *N. Y. Bulletin* says that business is generally better in the Lawrence Mills except in the Washington Lawrence Woollen Mill.

THE COST OF LIVING,

Hitherto it has been impossible to reach correct figures as to the cost of living. It can hardly be assumed that this has been correctly done even yet, but an effort has been made in that direction. It is one of the most perplexing questions in the whole range of political economy. The trouble with all such estimates is that the data vary—that is, in times of prosperity more is expended on living than in times of adversity. Mr. Edwin Atkinson has gathered some data, which, however, are too meagre to admit of their being regarded of great importance. It is a start, however, in the right direction, and points to a feasible method for ascertaining the result. He selected a town in Massachusetts and one in Maryland to experiment, and both sexes were included in the estimate. The cost of the Massachusetts town was something larger than that in Maryland; but the two were averaged, and on this basis the estimate was extended to the entire population. The several classes of population were included in the experiment, which was continued six months. Thus it will be seen that the data are imperfect, owing to the limited character of the experiment. But so far as it goes, it is very suggestive. It renders it easy to form a proximate opinion of the cost of living in average comfort in the United States.

The cost per individual is 20.85 cents per day—in Maryland it being 19½ cents and in Massachusetts 28 cents per day. This makes \$86.81 per year. A family of five at this rate can live for \$534.05. This includes, however, only the food. Meat, poultry, dairy, fish, eggs, flour, meal, vegetables, sugar, syrup, tea, coffee, fruit (green or