

the past six months. This would indicate that many of the failures during the past six months, must have been very small concerns.

By provinces, the failures and liabilities in Canada, shows as follows:—

NUMBER OF FAILURES.			
	1887.	1888.	1889.
Ontario.....	376	510	443
Quebec.....	193	218	305
New Brunswick.....	48	30	32
Nova Scotia.....	57	57	52
P. E. Island.....	5	6	4
British Columbia.....	12	9	16
Manitoba.....	19	27	25
Totals.....	709	868	877

LIABILITIES.			
	1887.	1888.	1889.
Ontario.....	\$2,837,176	\$3,919,180	\$3,359,303
Quebec.....	1,932,579	2,319,506	3,224,208
New Brunswick.....	4,005,515	583,341	147,523
Nova Scotia.....	303,260	404,403	249,500
P. E. Island.....	78,300	114,278	41,270
British Columbia.....	86,000	77,649	115,948
Manitoba.....	111,905	350,405	153,451
Totals.....	\$10,461,735	\$7,763,322	\$7,290,269

From the tables above it will be seen that the increase of failures has been nearly all in the province of Quebec, where a similarly marked increase in liabilities is noted. Ontario makes a good showing, considering that crops were short in that province last year. Manitoba (including the Territories) also makes a good showing. A slight decrease in the number of failures and a marked decrease in the amount of liabilities is shown in the table.

As to the business outlook for the Dominion for the next few months, it is difficult to speak with any degree of certainty. In a country so largely agricultural as Canada, a very great deal depends upon the harvest, and until the result of the harvest is assured, there will be more or less uncertainty. The present is a critical period in the crop situation, and with the limited information at hand, it is folly to attempt to speak with assurance as to the crop prospects for Canada as a whole. In Western Canada, owing to drought, a good crop is not now looked for, though a short time ago prospects were very bright. Reports from Ontario are somewhat mixed. In the high districts and where the soil is light, the crops are said to promise very good, but the flat counties of Western Ontario have suffered from a superabundance of rain and cold, backward weather. From Quebec and the Maritime provinces especially, the crop reports are more uniformly favorable, but in these provinces agriculture, though an important factor in the trade of the country, is not of as vast importance as in Ontario and the West

Accompanying Dunn, Wyman & Co.'s report of failures, were summarised statements of the condition of business at leading trade centres. At Toronto the volume of business is said to be slightly better than last year, but cutting of prices continues, and the margin of profits is reduced. This shows a very undesirable condition of trade, and one which has been especially peculiar to Toronto for some time past. Keen competition and long credits is still the bane of the dry goods branch, and the same features are felt in boots and shoes. From Montreal stocks are reported less excessive than they were last year. Textile manufacturing concerns are said to be fairly prosperous, and the leading financial institutions are said to be in sound condition. In Ontario particular reference is made to the unsatisfactory condition of the grain and flour-milling branches. Grain men have mostly lost money, owing to the peculiar course of prices of wheat during the past season, and flour milling has been anything but profitable to those engaged in the industry. The lumber industry is generally reported to have been in a prosperous state during the year to date.

LOW GRAIN RATES.

Another cut in east-bound grain rates from Chicago has just been announced. "The Baltimore & Ohio has given notice of its intention to reduce the rate on corn and wheat to the basis of 20 cents per 100 pounds from Chicago to New York. This will make the rate 17 cents to Baltimore and 18 cents to Philadelphia, the points reached directly by that road. This is a cut of 5 cents per 100 pounds under the rates previously in force between Chicago and New York. "The action of the Baltimore & Ohio," says the Chicago *Times*, "causes considerable feeling among the other east-bound lines, all of whom have been earnestly laboring to hold up the grain rate to the present basis of 25 cents per 100 from Chicago to New York." Later advices indicate that the other roads will meet the cuts made by the Baltimore & Ohio. As a matter of fact, the other competing lines will be obliged to adjust their rates to correspond with the new cut in prices.

This cut in grain freight rates does not of course directly affect the grain trade of western Canada, but it will neverthe-

less be of interest to grain men here, inasmuch as it shows the general tendency to reduce grain rates from the western wheat fields and grain centres to the eastern seaboard. Wheat producers in Manitoba, while not at present enjoying these close freight rates on their grain exports, comfort themselves with the assurance that their day is coming. The time will certainly come when our grain producers and shippers will enjoy freight rates about as low as those now in force from Chicago eastward. Indeed, in the few years that have elapsed since Manitoba began to export wheat, great reductions have been made in grain rates from this province eastward, and there is every reason to believe that the tendency in freight prices will continue downward, until a considerably lower basis than that at present ruling will be reached.

On the completion of the Canadian Pacific railway to Lake Superior in 1883, the first grain freight tariff over this route gave a rate of 28 cents per 100 pounds from Winnipeg to Port Arthur. From a central point in Manitoba, Brandon for instance, the rate to Port Arthur was 33 cents per 100 pounds. By vigorous "kicking" on the part of the people and competition, this latter rate has now been reduced to 24 cents and the former to 21 cents per 100 pounds. The first rate of course was a very high one, and still there is room for a liberal reduction in prices; but Manitoban's have reason to be pleased with what has been accomplished. It is not unreasonable to expect that in time the freight rate from Winnipeg to Lake Superior ports will be reduced to at least 15 cents per 100 pounds. Compare our present rate on grain from say Brandon to Lake Superior, distance 580 miles, at 24 cents per 100 pounds, with a rate of 20 cents per 100 pounds from Chicago to New York, estimating the distance between the two last named points at 1,000 miles in round numbers. This would seem to indicate that we can in time expect a rate of at least 15 cents per 100 pounds from Winnipeg to Lake Superior ports, even after allowing a margin for the water competition which Chicago enjoys. The experiences of the past in Manitoba and the reductions in rates elsewhere, all lead to the conclusion that within a few years wheat will be worth comparatively several cents per bushel more to our producers than it now is, owing to reductions in freight rates.