

is double the total of the world's present supply.

Business Was Never Healthier.

Glancing at the year's trade, and the commercial outlook at its close, the situation may be concisely summed up in the familiar expression, that business was never healthier. The long season of lean years has disposed of the weaklings among the merchants, and those who have weathered the storm are the prudent and the strong, and modern conditions make it almost impossible for a man without capital to venture into the field. The tendency is more and more towards a cash trade, and a merchant working on a credit basis can hardly hope to hold his own with those doing business for cash. The result is that business is sounder than ever it was before, and failures are fewer. A gentleman in the woollen business said lately that they hardly knew what a failure was nowadays.

Manufacturers are in an equally prosperous state, the cotton and woollen men have now all the orders that they can fill, in fact, recently placed orders are indefinitely on file, although the factories are all in full blast, many working night shifts. The same is true in many other lines, and on every hand there is hope and energy, and a healthiness in the business world.

It has already been mentioned that when in June, 1896, the moribund Conservative Government went to the country, one of the principal issues before the electors was the trade policy—the Conservatives standing for their ultra-protectionist policy of the past, and the Liberals for a revenue tariff only. The emphatic and clear-cut declaration of the latter party, quoted earlier in this issue, was, during the ensuing campaign, made the text for innumerable alarmist speeches and newspaper articles, in which it was declared that the advent of any party to power that would adopt such a policy would mean the destruction of many, and serious loss to most, Canadian industries. This prediction was based on the assumption, certainly not warranted by the declaration quoted above, that the ascendancy of Liberalism meant the sweeping away of all protective duties and the opening up of Canada's markets, without restrictions of any kind, to all comers. Such was never the intention of the Liberals, nor can any statement uttered by their leaders reasonably be held to bear any such construction. Firm as their belief might be in the principles of free trade they were well

aware, as practical politicians, that the effect of the protection policy of the past two decades, put its immediate and complete reversal entirely out of the question, but that the changes they declared were desirable could only be brought about gradually.

Trade returns for the year 1898 bear out the wisdom of the policy and the accuracy of these contentions. So far from closing down factories and throwing the operatives out of employment, the industries of the country were never more prosperous than they are in the closing months of the year. The old industries are not only holding their own, but are booming, while new industries are opening up on every hand; notably among these may be mentioned the manufacture of pulp-wood, for which a syndicate of British capitalists has commenced operations in eastern Ontario, prepared to invest between \$3,000,000 and \$4,000,000, erecting at least half a dozen paper mills, employing probably 400 hands, and turning out in the neighborhood of 360,000 tons of pulp annually. This instance is only a sample of the development going on on every side. The City of Toronto, the head centre of ultra-protectionism, has increased its number of factory operatives by at least 3,000; the City of Winnipeg has more than half a million dollars more invested in manufactures to-day than it had at the beginning of the year, and at least 70 hands more employed. The City of Ottawa is apparently upon the threshold of a great industrial revival, which may reasonably be expected to add very materially to her prosperity. Vancouver is claiming about 50 per cent. increase in wealth and population in the year; Montreal, Hamilton, London, and practically every other city, east and west, are feeling the improved condition. For a market for this growing output, not only has home consumption increased, for the people have more ready money to-day than they have had for years, but abroad also inquiries are being made for Canadian manufactures, as there are for Canadian natural products.

There can no longer be a doubt that the end of the lean years has been reached and passed. The question as to what extent the change of Government is responsible for the improvement need not be discussed here; it is, however, unquestionably a fact that in Canada under a revenue tariff ministry, and in Great Britain under a free trade re-