

tend against, there were employed in that year in this industry in the factories of Ontario and Quebec, leaving out of sight the large mills in the Maritime Provinces, 3,140 more operatives than found work in 1878. And, moreover, although the hands employed have been working in but too many cases on short time, and although by reason of the improved machinery now in use a smaller and cheaper class of labor can be employed, the figures show that the average wages paid was higher by \$7.50 in 1884 than it was in 1878. May it not therefore with confidence be asserted that the object of the Government has been fully achieved; that work has been more plentiful and wages higher even in this much talked of industry than was the case previous to the change of tariff? Many lines of cotton goods are now being produced in Canada which were not made prior to 1879, and amongst the most important of these is printed goods. The year 1884 witnessed the production of the first piece of printed cotton ever made in Canada and, very appropriately, the presses were first made to revolve on the metal day of the Dominion.

The agricultural implement industry is specially interesting, owing to the discontent which has been manifested in the Province of Manitoba at the protective duty exacted on foreign imports. The new manufactures are 18 in number, and there has been an increase in the capital invested of \$2,068,500. We shall give that portion of the report which specially bears on the North Western trade, and which is as follows:

In the older Provinces the market for these implements is monopolized by the home manufacturer, but in the Northwest, in spite of the recent increase of duty, there is still some United States competition. This competition is accounted for in several ways. There is, first, the prejudice in favor of the superiority of United States made implements as adapted to prairie farming, which still lingers in some minds, but is being gradually rooted out by reason of the exceedingly fine machines now being produced by Canadian makers, which may safely be compared, for excellence of design, good workmanship and facilities for doing the work for which they are intended, with the production of any nation in the world. Then there is the question of freight rates, which in the past has militated against the Canadians and in favor of the Western States manufacturer. This cause, however, does not exist now, as during the past season freight rates to the Northwest have been reduced very largely. One manufacturer, who in 1883 paid \$300 per car to Manitoba, was able to obtain cars during the season of 1884 for \$150. In consequence of this reduction he was enabled to sell his implements in the Northwest 15 per cent cheaper than in the preceding year, as it is the custom to sell goods in that country at the same price as in Ontario, with freight added. But there is still another reason why the United States manufacturer is able to sell some implements in the Canadian Northwest, and it is a very unfair advantage which this reason gives him over his Canadian competitor. As is well

known, the harvest season in the Southwestern States commences at a much earlier date than in the more northern territory, and at the opening of the season in the South the United States implement maker has a stock of his goods on the ground for sale, and disposes of as many of them as possible at a regular price, a price which will enable him to make a fair profit on the article. Then as the season advances north and west, he moves his unsold stock with it, disposing of as many as possible in each state and territory until finally, in September, he finds himself in the Northwest with what is left unsold of his implements. Having derived a good profit from his earlier sales he is prepared to dispose of what remain even at sacrifice prices rather than take them back to his factory. Each year adds many improvements to these implements, and as a consequence machines made one year do not bring nearly as good a price the following season. In view of this fact, and also that the freight rate back to the works would be a considerable item the market is flooded at this time of the year with machines for which almost any price offered would be taken. When it is considered that this is the main market of the Canadian maker, out of which if he does not make a profit he cannot expect to make a profit at all; when it is further considered that the Canadian-made implement cannot reach the earlier and more profitable market in the south by reason of the prohibitive duties of the United States, it will be conceded that the competition is a decidedly unfair one, one from which the Canadian manufacturer may with propriety ask the Government of the country in which he does business to relieve him. The last change in the duties on these implements has had its effect on this class of competition, and if the duties are retained in their present position will eventually kill it off. With reference to the prices at which these implements have been sold, manufacturers generally concur in saying that during the past six years prices have been reduced from 15 to 25 per cent. Specific figures were given in some cases, a few of which may be noted. One manufacturer who formerly sold his make of reapers at \$110 now sells at \$80, another whose reaper in 1878 sold at \$98 now sells at \$80. His mowers formerly \$63 are now \$50; drills, \$70 to \$72, are now sold at \$60; another who sold his reapers in 1878 at \$105 now gets but \$90; another now sells mowers at \$60 for which in 1878 he got \$75; another sells his reapers at \$80 who six years ago sold the same description at \$120; another who used to obtain \$525 for a threshing machine and horse power now sells at \$475; another says he reduced the price of his binders 25 per cent this year; another who last year sold binders at from \$300 to \$340 this year sells at from \$275 to \$300. More answers of a like kind might be given, but enough has been advanced to show the percentage of decrease which has taken place during the past six years. In conclusion, it may be said that this class of manufacturers are in a fairly prosperous condition, and, taken as a whole, look forward hopefully to a remunerative season's business in 1885.

We regret our inability to devote more space to our notice of Mr. Blackeby's report.

"CAUSES OF LOSSES"

Under this heading, the annual report of the Guarantee Company of North America contains so much sound sense in so little compass, that it will well repay every business man to turn again to our issue of 6th inst. and study the question, in the light of Mr. Rawlings' excellent remarks.

We shall, however, apply the report to other branches of business: "Many of the losses" in mercantile business are owing to looseness of management and defective supervision of salesmen, whereby irresponsible and unreliable persons are trusted with goods on credit, and are accommodated with renewals of notes which should be promptly sent for collection, whereby undue opportunities to default have been afforded.

"Many of the losses" in fire insurance are owing to looseness of management and defective systems of supervision over agents and inspection of risks, whereby the dangerous element of implicit confidence in agents encourages them to send in applications which they know to be undesirable, and upon risks which, if thoroughly inspected by competent men, would be reconstructed so as not to burn, or the policies would be cancelled.

"Many of the losses" in Life Insurance which come so quickly after the issuing of the policies are owing to looseness of management and defective system of supervision of agents and medical examiners whereby the diseased lives of persons in whom they are personally interested are passed off on the companies as sound.

"Another, and very prevalent one," is putting inexperienced persons into positions of trust as merchants, salesmen, bookkeepers, or agents of companies.

When manufacturers, wholesale dealers and merchants do not "hesitate to decline further transactions" with irresponsible, inexperienced, extravagant and dishonest purchasers of goods their "ratio of losses" will be considerably reduced, as will those of the fire and life insurance companies when they decline further transactions with agents whose sole recommendation is *volume of business*.

"One of the most prevalent sources of losses" in all businesses is "speculation;" the man who sells and the man who buys extraordinary quantities of goods on the chances of changes in the market only, or who deals in margins instead of minding his own legitimate business is in a fair way to make insolvencies and fire losses.