

ly affected a situation already difficult enough, the outlook for profitable results is more promising than at any previous time.

Turning to Ontario, Mr. Walker spoke of the winter wheat being small, but other crops good, on the whole, but as the prices of cattle had fallen many farmers had sold at unremunerative figures. In the dairy, Ontario had one of the worst years known for the dealers and a bad one for cheese makers. In butter the conditions were more favourable, and this to some extent mitigates the situation, but, taken as a whole, the money return is between five and six million dollars less than in 1903. Since 1896 the lowest money return for cheese in any one year was \$12,065,000, the highest \$21,563,000, and in 1904 \$14,380,000. In butter the lowest return in the same period was \$2,697,000, the highest \$7,936,000, and in 1904 \$6,325,000. These figures, of course, apply to all Eastern Canada and not to Ontario alone.

The money paid to farmers in 1904 was many millions less than in 1903, which meant deficiency in purchasing power, debt paying power, or power to save. Except, however, in a few districts where there are lowlying lands and where for two or three years the results have been disappointing, there is no actual failure to make progress. In some towns sales have been smaller, but this is not the usual condition. The situation may be summed up by saying that as a rule the farmer has been able to pay his debts, but not to add to his savings' bank account. He has not paid the merchant, and sometimes not the implement maker, quite as well as in recent years, but there are few requests for money on mortgage.

The apparent anomaly of such conditions with the general prosperity of the country is thus dealt with.

"The reports from towns and cities in Ontario, with few exceptions, indicate a large and prosperous volume in trade and manufacturing—not markedly different, indeed, from that of the previous year. It is true that some admit loss of trade from the deterrent effects of the severe winter and the poor crops in the East, and while some have still further added to their plants and very many report still larger sales than in 1903, many more are well satisfied in having repeated the sales of that year. The maintenance of this high volume in the face of a reduced purchasing power in the East has doubtless several explanations, but the prominent reasons seem to be the increasing demand for all classes of goods from the West, and the confidence in the immediate future of Canada in view of the immigration, the extensive railroad building, and the fact that the outside world begins to understand the opportunities we have to offer to energy."

MR. WALKER ON THE TORONTO FIRE.

The Toronto conflagration elicited some emphatic remarks from Mr. Walker at the dinner of the Toronto Insurance Institute. In his Address before the shareholders of the Canadian Bank of Commerce, he said:

"Before passing from this reference to our great fire it is well to consider what we are to learn from it. We seem to take great satisfaction in blaming the insurance companies for increased

rates, and even some of our city aldermen have the hardihood to join in these harsh criticisms. It is the business of fire insurance companies to insure people for a rate which will yield them a profit, and if they make a profit they can be indifferent to the loss of ten or twelve millions of dollars by one fire, but can we? Does not the new high rate of insurance show us that it is this community which in the long run loses every dollar in value that was destroyed by the great fire? And if this is true, as it clearly is, we should not hesitate to obtain every deterrent to fire that is reasonably possible, and every appliance for its extinguishment that could be made available in the hands of our firemen or ourselves."

MANITOBA AND NORTHWEST.

The wheat crop of last season in the Northwest was given as 60,000,000, worth about \$40,000,000, and other crops represented another \$10,000,000. The practice of farmers obtaining more land than they can pay for conveniently, or work to advantage was condemned. Many farmers are assuming in this way a load of debt which may trouble them seriously some day, and they are apparently repeating the experience in Ontario, of abnormally raising the market price of the land they buy, by their eagerness to acquire large holdings. The farmer, however, has more reason for his investments in-land with the consequent load of debt, than the ordinary business men in town and city. But if we can judge by the evidence coming before us as bankers, the mania for owing land as a speculation instead of a permanent investment is widespread in the West. This must add to the legitimate advance in values a very unhealthy further advance, and punishment will inevitably come for all that is unsound. The West, in a word, is so prosperous that it has altogether too little fear of debt, and when more transactions are on a cash basis, values will be more certain, even if they are somewhat lower.

So much has been written about Winnipeg that little need be said here. The population grows with astonishing rapidity, and all precise records, such as those of the Clearing House totals, Inland Revenue and Customs Post Office statistics and the value of buildings erected, make it clear that it is destined to be a commercial centre of commanding importance.

Calgary, Edmonton, and the towns lying between are all growing rapidly, the growth in Calgary being the most noticeable. The new settlers in the Northwest, as shown by the official records from 1st of January to 30th of November, were about 97,000, chiefly in the Territories. British Columbia was stated to be prosperous, and the output of gold from the Yukon and other northern fields about the same as last year.

In his concluding remarks, Mr. Walker said, "There is a disposition in Canada to expect too