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OBSTACLES TO OUR SUCCESS IN MANUFACTURES.

In the last number of the *Canadian Merchants' Magazine* we endeavoured to show the importance of Manufactures in promoting the prosperity of the country, and pointed out what appeared to us the principal obstacles to their success in Canada. We stated these obstacles to be, want of adequate capital, a limited market, foreign competition, the high price of labour, and the absence of coal. We pointed out some of the evils arising from want of sufficient capital; and on this subject we shall merely remark here, that the best method of removing this obstacle is to extend the limits of our market and secure a wide and profitable field for the exercise of manufacturing enterprise and industry, which, after all, is the only thing that will bring capital into the country to be permanently beneficial.

It is true, a higher rate of interest might bring a larger amount of capital into the country; but unless that capital can be profitably employed by those who are to pay this higher interest, its introduction can only result in loss and disappointment to all concerned. On the other hand, if a profitable field is presented for the employment of capital, it will find its way into the country and yield a high rate of interest in spite of legal enactments, however much these are to be regretted.

In urging the introduction of more capital into the country, it should be borne in mind that it is not capital alone that we require, as that would be in many cases entrusted to inexperienced or unskilful hands, but *Capitalists* with large means and matured experience, who thoroughly understand their business and the value of their manufactures in the markets of the world.

In our endeavours to attract a larger emigration to our shores, we think the fact is not sufficiently dwelt upon, that capital is even more wanted than labour; that while the labourer has many difficulties to contend with, an