

At the same time, our article appears, upon further enquiry, to have overstated the possible production of Canadian cement works in 1903. And according to promise, we give an amended estimate of that year's output, based upon further information. As to three of the existing works, our estimates were substantially correct, but as to the others, they were excessive. So that instead of 1,515,000 barrels being produced by nine producing concerns, the output will not exceed 1,200,000 barrels, if, indeed, it exceeds one million barrels. The extent to which projected but unbuilt works can add to the immediate production may also be subject to correction. It was, we have now reason to believe, a sanguine estimate to say that the four concerns named as reported under construction, might add collectively 412,000 barrels to the Canadian output this year. And it is doubtful, to say the least, whether the works projected in other provinces can possibly turn out any cement this year. So that 3,000,000 barrels is, we believe, a quantity entirely beyond the capacity of Canadian cement makers for 1903.

Still, even admitting that in our desire to save intending investors from disappointment, we may have overstated the possible production for the present year—since it takes anywhere from twelve to twenty-four months to erect a cement plant and get its goods on the market—there is still reason for our words of caution. The success of some of the factories, added to the undoubted prospect of a great enlargement in the modern uses of cement, has led to the launching of projects and the flotation of companies the success of which may very well be questioned, since they are neither well considered nor well based. Even the shrewd Germans, masters of chemical and mechanical processes as they are, have made the mistake of launching too many concerns for the production of this important article, used in Germany to an extent and for a variety of purposes to which Canada is as yet a stranger. The result is that a number have stopped work and some have ceased to pay dividends. This is not, however, because the demand is not active, but rather because the establishments have been injudiciously placed as well as sometimes improperly built, so that it is possible for one mill of the right kind, in the right spot, to pay while another may be unable to earn a profit.

Shall we, in Canada, then, not take warning from such experience? There is going to be, it is safe to say, a marked increase in the consumption of Portland cement in Canada, just as there has been in other countries, for railway and tramway substructure, for sidewalks and other paving, for canals, for dwellings, factories and other buildings, for bridges, for piers, for silos, for cellars; it has begun to replace wood, stone, iron and terra cotta. From 3,400,000 barrels in 1891, the consumption of this article in the United States had increased year by year to 13,600,000 barrels in 1901. And it is worthy of note that its use for pavement by the City of Toronto alone has increased from two miles of pavement in 1891, to twenty-seven miles in 1902; making a total, according to City Engineer Rust's report of 78¾ miles already laid, and some 372 miles of wooden side-walks to be replaced by cement, at the rate of about 40 miles per year, covering a

period of nearly ten years to complete, saying nothing about new streets to be paved. We may, therefore, conclude that, as has been said in these columns already, the use of cement in this country will in the future be much greater than it is at present. This does not, however, justify the indiscriminate and hasty erection of cement plants by people who have not considered where to place them, and who do not secure the most modern methods of constructing them. It must not be forgotten that modern discoveries and improved methods are creating a revolution in the industry; and that processes which were deemed adequate, if not final, ten years ago or five years ago, are being superseded by processes both more economical and more perfect.

There is no room in this business, we consider, for hasty or visionary undertakings by inexperienced people, who seem to be disposed to organize and try to build cement mills wherever they find marl beds, without regard to the location of existing mills, or the demand. Such people often capitalize below what a modern mill of the capacity claimed can be built for to compete with up-to-date mills now in operation in the same territory; others capitalize far above what the requirements of their location will warrant. Both these classes of projects should be carefully enquired into by investors. However, there is room for sane and prudent enterprise—and so we say—go slow; get the best, see that factories are rightly built and placed where they will have a competitive chance, then the investor will have a reasonable prospect of a good return for his money.

#### BANK OF COMMERCE ANNUAL MEETING.

The address of the general manager of the Canadian Bank of Commerce, abounding as it does with carefully prepared facts and deductions, is in the main cautionary. While remarking the growth of the country, the expansion of business, the buoyant hopefulness of merchant and manufacturer, the persistent activity in speculation, the speaker points out again and again features which should make a prudent man pause and consider the future. The United States and Canada have both harvested successfully the largest crops ever known. "When we consider the enormous area, the diversity as to soil, climate, and nature of crop, this is a result," says Mr. Walker, "we may not fairly expect again in many years. The railroads in both countries have had more to do and greater difficulty in doing it than ever before." They have spent a lot of money to increase their facilities; but when a lean year or two come, this expenditure will cease and the reaction will be felt. Then as to the great volume of trade to be inferred from the bank clearings, stock or produce exchange speculations, he tells us, so influence the total as to make this an unsafe guide as to the increased general trade of 1902, as compared with previous years.

How far is our existing prosperity legitimate, and to what extent is it characterized by over-production and undue speculation? This is a question not for the publicist alone, but for every trader or maker who desires to see his business continue healthily when the activity begins to decline. Careful observers are of the