

\$3,000,000 out only had \$44,427 interest arrears and about \$20,000 principal on the 31st of December last. Another large company had 81 parcels of land at the beginning of last year and sold 59 before the year closed. Another manager says that arrears are less than half of one per cent of their entire business. Still another company with \$1,836,421 of loans only have \$13,900 arrears of interest and \$39,953 worth of real estate on hand. The banks report large increase in deposits and decrease in discounts, this is especially true of Provincial branches.

These evidences are encouraging but they should not delude us into the false notion that everything is right and nothing is wrong in the country. I have stated that we are improving our methods but we have still much to learn. Credits are too cheap in the country. They are not as bad as they were, but they are still bad and the people most responsible are the banks and wholesale houses, but I suppose they are victims and slaves of a system. I notice that a convention of Boards of Trade will soon be held in Ottawa for the purpose of considering insolvency legislation. If that body would enlarge the scope of discussion and resolve that terms of credit should be reduced to 30 days, or at the most 60 days, and if wholesale houses would act on this resolution we would have less use for an insolvency act.

I am not a farmer but I will mention a fact to show that there is something wrong on the farm or ranch. Our beef sells in the Old Country $1\frac{1}{2}$ cents a pound less than South American and Western States beef. A leading exporter informs me that this can be corrected by breeding and greater care in the fattening process. Of course this is a new country and I have no doubt that this matter will be corrected as it is important that such a staple as beef should take the