For shares of loan companies the market has proved more steady, and they have not shown the same tendency to decline with the year. Some, indeed, stood at better prices at its close than at the close of 1882. The stock of the leading company, for example, the Canada Permanent, maintained a higher average quotation than in the previous year, the like may be said of the London & Canadian, the Huron & Erie, the Union. The price of Western Canada, at the beginning of 1884 was better than a year previously, though at no time during the twelve months did it reach its highest figure of 1882, namely 211, for which figure however, there were special reasons prevailing at the time. Shares in the Hamilton Provident Company were at a lower level somewhat, than in the former year, possibly because of their issue of new stock.

Insurance shares have not been favorites, so much has the frequency of fires in the United States and Canada impaired the hope of good dividends from them. British America Assurance opened the year at 120 and closed it at 112 ; while Western Assurance, which was 157 in January went to 122½ in December.

EXCESSIVE DUTIES INJURIOUS TO MANUFACTURERS.

It is a notable sign of the times when manufacturers begin to admit that excessive protection does not protect, and to call for a lowering of duties to the revenue standard. Mr. Abraham Hewitt, an extensive iron manufacturers, who is at the same time a member of the committee of ways and means, at Washington, has published a long letter, giving his views on this point, in the Albany *Argus*. The iron trade, in the United States, is suffering great prostration ; for which Mr. Hewitt holds responsible the war tariff, which imposed "higher duties than were needed for protection." Profits, he says, were high enough without these high duties. The result of these war duties he confesses, was to give manufacturers excessive profits.

The usual result followed : an excess of capital was tempted into the iron business ; the capacity of production outran demand, and competition reduced prices. Mr. Hewitt argues that workingmen are specially injured in the long run, by excessive duties. When a glut occurs, many of them are thrown out of employment.

But Mr. Hewitt is still a protectionist ; and perhaps he deems the form of argument which he now uses the best that could be pressed into the service of protection, in which he has a direct personal interest. He argues that the lesson of the present depression is "that the duties on all kinds of iron should never exeeed the lowest possible point which, in times of depression, will protect the domestic market from the flood of foreign iron which otherwise might be poured into its lap." Than this, which is practical prohibition, no protectionist ever asked more. Mr. Hewitt has made a not very successful study of how to put protection, which shall practically prohibit, in times of depression, in free trade garb. But he has at least awakened to the consciousness that excessive protection does not always protect and is sometimes mischievous to manfactures in its workings.

Mr. Hewitt has the knack of making the working man do yeoman's duty, whenever he desires to press him into his service, for the purpose of his argument. The workmen he says "must be made to realize that the only fund out of which their wages can be paid is produced by the money which is received for the produce of the industry." This is clearly fallicious. There must be an antecedent fund, whether it be the wages fund of Mr. Mill and other economists or something else ; and the nucleus of that fund must have existed before the iron mills were called into being. It may and is swelled by subsequent profits. Mr. Hewitt's is a dangerous doctrine ; it goes at least half the length of Mr. George's claim that the workingman creates his own wages before he receives them. We scarcely know whether to forgive Mr. Hewitt or to condemn him ; for besides being an interested party, who wishes to appear very disinterested, he is a bad economist, and a doubtfully good, though ostentatious patron of the workingman. Anyhow, it is but fair to hear him. "Out of this fund," he says, "must first be paid the cost of the raw material, and next the remuneration for the capital employed in the work of production. What remains is the amount available for the payment of wages. Hence the cheaper we can get raw material and capital, the more we can pay for the labor engaged in manufactures. High rates of interest and high-priced raw materials, mean, therefore, lower wages for labor, while cheap raw materials and cheap capital mean higher wages for labor. The workingmen thus have an interest, direct and immediate, in removing the duty from raw materials, as well in the iron business as in every other branch of industry carried on in this country. By raw materials I mean fuel, all food products, all materials to which no process of manufacture has been applied, all metallic ores and all waste products which are fit only to be manufactured." Here the fallacy about the fund out of which wages and other things are paid is repea ed, and the argument about the interest of the workingman is far from conclusive ; but the contention to which all this leads up, that raw materials ought to be freed from duty cannot be denied to any nation which pretends to claim a trade policy of its own.

Mr. Hewitt, who commenced by asking practically prohibitive duties, in the fair name of *free* trade, in a few minutes forgetting what he had said, asks for nothing more, b sides free raw materials, than a rate of duty on manufactures not greater than the difference in the amount paid for labor in America and foreign countries respectively. Mr. Beecher who is not an employer of labor, says the American workmen gets no more in wages than his European rival. "For this purpose"—to balance the difference in wages—Mr. Hewitt says, "the incidental protection afforded by revenue duties will, as a rule, be found sufficient when any protection is needed." But the war duties, which Mr. Hewitt found excessive even for protection, was a revenue duty. But Mr. Hewitt is speaking generally and for a manufacturer, he is here speaking reasonably and unselfishly.

THE FAILURE LIST.

Considering the frequency of failures of late in almost all parts of the Dominion, the minds of bankers and merchants were doubtless prepared to see a decided increase in the list of failures and the aggregate of liabilities in 1883, compared with the previous year. But it was not expected, we think, that the number and amount would be almost doubled. The compilation of failed estates made by Messrs. Dun, Wiman & Co., shows their number to be 1,384, and their aggregate liabilities $15,872,600. We compare this showing with that of several previous years. The figures ought to teach our manufacturers, importers and traders generally, the need of prudence, for we are again piling up our mountain of difficulties, as the ominous swelling of failed traders' indebtedness for the past two years shows :

CANADA.

YEAR.	NO.	AMOUNT.
1877	1,892	$25,523,000
1878	1,697	23,908,000
1879	1,902	29,347,000
1880	907	7,988,000
1881	635	5,751,000
1882	787	8,587,000
1883	1,384	15,872'000

In searching for some element of favorable import in the comparison of these figures with the more formidable ones of 1877–8–9, we find it in the decreased amount of liabilities per trader to-day. For while in 1878 the average indebtedness of a Canadian concern which failed was $14,000, and in 1879 as high as $15,400, it was last year only $11,-400. This is so far comforting, but it is the reverse of pleasing to find that now, for the first time since 1879, it requires four figures to express the number of failures in twelve months. Where these failures took place is explained by the following table :

PROVINCES.	FAILURES.	LIABILITIES.
Ontario	567	$4,700,000
Quebec	438	6,400,000
Nova Scotia	89	1,068,000
New Brunswick	47	747,000
Newfoundland	5	48,000
Prince Edward Island	5	40,000
Manitoba	232	2,869,000
Total	1,384	$15,872,000

But lest some of the political writers should shout too loudly in condemnation of the present Government for causing this state of things, let us look at the United States, and see how it fares with them in this particular. The failure list there was larger in 1883 than in any year since 1878 ; and much as some of their newspaper writers have sought to decry or to criticize Canada's fiscal and commercial affairs, their relative showing in this particular is but little better than that of the Dominion. Where last year only one trader out of 122 failed in the States, this year there was a failure for every 94. A comparative list of numbers and amounts is as under :

UNITED STATES.

YEAR.	NO.	AMOUNT.
1877	8,772	$190,669,000
1878	10,478	234,383,000
1879	6,658	98,149,000
1880	4,735	65,752,000
1881	5,582	81,155,000
1882	6,738	101,547,000
1883	9,184	172,300,000

The indebtedness of each trader who failed in the United States was, as might be expected, larger than in Canada. This differ-