

counts, a refusing of new business, and a consequent contraction of note circulation to the extent of ten millions of dollars during the past four months. This is what makes money scarce. It is true the money is needed for the payment of large public works now in progress, and will, of course, return in time to the banks, after having helped on the business of the country, but in the meantime its withdrawal has produced a wrench which has been severely felt.

9th. Without referring to the question as to whether a protective or a mere revenue tariff conduces most to the general prosperity of the country, we cannot overlook the fact that our manufacturing interests are now in a very prostrate condition. The cause is not far to seek. The United States is overstocked with goods. Our low tariff permits American manufacturers to flood our market with goods. This they are doing, and Canadian manufacturers are in a paralyzed state. How long this will continue it is difficult to say. The *New York Tribune* states that the exports of manufactured articles from the United States to Canada, in 1874, amounted to near nine millions of dollars. And business men know that the influx of American goods into Canada is much heavier the present year than in 1874. Our boot and shoe factories are all running on short time. One factory in Toronto, which at this period last year paid out weekly for wages the sum of \$1,500, is at present paying only between \$300 and \$400 weekly. The balance goes to the United States for stock which is imported much cheaper than it can be produced here. The same remark applies to furniture. This branch of manufacture has received a terrible blow lately from the same cause. So has plumbing and brass finishing—many hands have been discharged. Finished brasses of various descriptions can be laid down here at lower

prices than the casting would cost, and the money formerly paid to workmen for wages is now sent over to the United States to purchase stock. The felt and roofing business is almost destroyed. The Montreal Rubber Company has shut down altogether, leaving one thousand hands idle. These are only glimpses of the present condition of affairs.—American producers are at present making Canada a slaughter house for their surplus stock. Will any of our statesmen propound a remedy?

10th. The low price of our farm products has prevented as much money from being made as in former years. Wheat, butter and cheese have all through the season sold at low prices. It is true the price of pork ruled high, but as we export very little pork, it consequently brings a small amount of money into the country.

What is the remedy, and when may we expect it?

1st. Let us not expect it speedily. There are slight indications of revival in the lumber trade. We are informed that stocks at the mills on the Ottawa have run down, and at Albany the demand has considerably improved.

2nd. The recent rise in price of grain has brought large quantities to the market, the effect of which ought soon to be realized in an increased circulation of money.

3rd. If the present prices continue, this year's crop will likely be marketed early, and money, consequently, will soon change hands, and find its way into the different channels of commerce, to the benefit of all who touch it.

Lastly. Reduced imports this fall, and a retrenchment of expenditure on the part of those who are living extravagantly, may enable us to see an improved condition of affairs by next Christmas.

TORONTO, Aug. 13th.