

Five years ago we had in one year 123 business failures in this country, including the Territories, with liabilities of \$152,066 in excess of the assets. Last year we had but 62 failures, with assets over \$50,000 in excess of the liabilities.

A noticeable feature of our condition is the increased facilities for carrying on the work of the country both on the farm and business places. Our elevator capacity west of the lakes is now 18,378,500 bushels or sufficient to store at one time a total average export crop. Our cattle exporting firms are strong financially and have extensive and with all economical arrangements for handling their business. One firm is wintering no less than 11,000 head in the country, for which they pay from \$3.50 to \$6.50 per head, which adds, of course, to the revenue of the people. Creameries and cheese factories are multiplying, and farmers are improving their farm buildings, no less than \$935,310, according to Government returns, was expended in this class of improvements during the year, while 1,370,685 acres of land were prepared for this year's crop. These things all show that farmers and business men have things well in hand and are prepared for an occasional bad year, or can handle comfortably a good year, as the future may favor us. Another piece of evidence in favor of prosperity is the almost phenomenal decrease of Loan companies arrears. On the 31st of December 1895, 19 loan companies and other companies making loans, reported to the Provincial Government that they had out in the Province on mortgage security, \$11,876,828 and that the arrears amounted to \$471,523. On the 31st of December 1896 only 11 of these companies made reports but they show an increase of business of less than one per cent, and a reduction of arrears of 33 per cent. There are no returns for last year but I learn from local managers that the reduction of arrears during 1897 was even greater than 1896. One leading company with over