

for goods purchased. Of course, if the merchant can make a profit on the butter as well as on the goods sold, it is all right to handle the butter; but the prices paid this season for dairy butter at many points would show that the merchant makes a loss on the butter. In taking butter in trade he therefore has to make a double turn to get pay for the goods, while the profit on the goods is reduced by the amount of the loss on the butter.

### TRADE RETURNS.

Reports from time to time published show the great growth of our trade with other countries. The total trade for the past fiscal year, including coin and bullion, reaches \$304,091,000, as against \$257,168,000 for the previous year, an increase of \$46,822,000. Imports were \$140,305,000 and exports \$159,485,720, making a balance of trade of about 20,000,000 in our favor. The total imports exceeded those of 1897 by \$21,000,000, and the excess of exports was \$25,482,000. We took from Great Britain \$32,399,000, as against \$29,401,000 in 1897, and sent her \$104,787,000. The United States sold us \$86,587,000 worth, of which \$45,827,000 were dutiable. Our exports to the United States decreased by \$811,000, the total being \$41,212,000.

The feature of the returns is shown in the fact that our exports to Great Britain enormously exceed our imports therefrom, while exactly the opposite is true in the case of the United States. The returns further show that our exports to the United States have declined, notwithstanding our great increase in imports from the latter country. Our trade with the United States is of a very unprofitable nature, viewed in a general sense. It is largely raw material which we sell that country, and even of this class of goods our sales are small compared with our purchases. The balance of trade is therefore enormously against us in our dealings with the republic. This situation should tell in our favor at the Quebec conference, which will discuss the various phases of international relationship, and should make the United States commissioners disposed to deal liberally with us.

Our purchases of goods from the United States are to a considerable extent manufactures which could be made at home, while the republic, by protective and prohibitive duties, has ground down its imports from Canada to the very finest point. What is purchased from us is largely raw materials, upon which a minimum amount of labor has been expended, and which go to build up our neighbor's manufacturing industries. In just one item alone—that of pulp wood—we are sending an enormous quantity of our valu-

able raw material to the United States, where it is manufactured and sent to foreign countries, to compete against our own export. It is to be hoped the United States commissioners will see how unreasonable the present situation is, and be willing to agree to an arrangement which will be fairer to this country. It is worthy of note here, that the last tariff revision in this country has greatly encouraged imports from the United States, while the last tariff revision in the latter country was a severe blow to our export trade to the republic.

### LAKE MANITOBA.

The Dominion government has evidently decided to go on with the work of enlarging the outlet of Lake Manitoba at Fairford. The Commercial some time ago published a series of articles on this work, showing certain strong objections to the undertaking. It seems a matter for regret that greater public interest has not been taken in this matter. The object of the work is to provide against the flooding of lands around Lake Manitoba, by increasing the outlet capacity of the lake, which at present is somewhat circumscribed. The outlet of Lake Manitoba is by the Fairford river into Lake St. Martin. It is claimed, however, by competent authority, that the increasing of the outlet capacity into Lake St. Martin will result in flooding a large area of land about the latter lake. Thus the difficulty will simply be removed from one location to another. A sort of robbing Peter to pay Paul. If the outflow to Lake St. Martin is increased, it is also claimed that work for the increasing of the outflow from Lake St. Martin to Lake Winnipeg should be undertaken at the same time, and thus prevent the flooding of lands around the former lake. The government, however, evidently does not intend to undertake the latter work, which, it is understood, would be a much more expensive undertaking than making the cut from Lake Manitoba to Lake St. Martin.

An alternative plan has been proposed, which was fully explained in The Commercial in the series of articles referred to. This plan was to leave the Fairford river outlet alone and cut a canal across to the Assiniboine river from the southern end of Lake Manitoba. All the advantages, so far as the controlling of the level of the lake is concerned, could be secured by cutting the canal to the Assiniboine river, while there would be no flooding of lands in any other locality by adopting the latter plan. The canal, it is claimed, would not cost as much as to provide a proper outlet by the Fairford river and thence to Lake Winnipeg. It would run through a closely settled district, where it would

be of great value to the country, and would also provide water-power at a point where it could be utilized to good advantage. The canal would also increase the flow of the Assiniboine river, rendering the latter stream more valuable for purposes of navigation, and further providing for an enormous water power at Winnipeg. Engineers who are familiar with the country, favor the Lake Manitoba route, as the best way of reaching the North Saskatchewan river with an all water system from Winnipeg. The proposed canal at the south end of the lake would, therefore, become about the most important work in the opening up of a vast system of inland navigation.

A few years ago great interest was taken in the construction of works at Winnipeg to utilize the water power of the Assiniboine river here. At one time the agitation over this matter was so keen that the city was on the verge of carrying out the necessary work. Latterly the matter appears to have fallen out of sight completely. It seems a great pity that the city council and the board of trade have allowed the opportunity to slip by of trying to induce the government to adopt the Assiniboine river canal plan as a means of controlling the water level of Lake Manitoba. As it is, this matter, of such great importance to Winnipeg and Manitoba, has been allowed as it were to go by default. A few years ago, as stated, the city was ready to plunge into the water power scheme alone. Now, when a favorable opportunity offered of having an important part of the work carried out by the government, not a voice has been heard in the matter.

### A Crop Estimate.

Hon. S. C. Wood, of Toronto, manager of the Freehold Loan and Savings Co., who has spent two weeks driving through the principal agricultural settlements of Manitoba, estimates the average wheat yield at 18 to 20 bushels per acre. He says:

"I might say that the amount of crop struck by hail was much less than I had expected to see from reports that reached the east. Frost has not injured the crop. We saw no damage by frost even on the tenderest vegetables in all our journey."

"Contrary to some statements, oats will be a good average crop. The stories about no oats are fictions as far as the country we saw is concerned. There is evidently not as much flax as usual this year though we saw some good fields in Southern Manitoba."

Mr. Wood has made a trip of inspection annually throughout the wheat fields of Manitoba for many years, and the experience thus gained places him among the experts in estimating standing crop.