

all countries, save only the United States, was larger in 1894 than in the preceding year, an event which proves a protective tariff to be anything but a hindrance to foreign commerce.

Turning to the import trade an appreciable decline is shown to have occurred in the last fiscal year, due partly to the fall in prices and partly to the cautious buying of importers in view of the quiet condition of business. The value of goods entered for consumption in 1894 was \$113,093,983, as compared with \$121,705,030 in 1893, a decline of \$8,600,000, or about 7 per cent. Yet, the figures are still relatively larger, having been exceeded in only three years since 1875, a further evidence that Canada has not been seriously scotched by the almost universal stagnation of commerce. Imports from Great Britain and the United States fell off in value about ten million dollars, those from the former country diminishing from \$43,148,000 to \$38,717,000, and from the latter receding from \$58,222,000 to \$53,034,000. Imports from the West Indies also fell off considerably, having a value of \$4,244,600 in 1893, and of \$3,677,400 in 1894, the reduction being caused principally by the fall in the price of sugar. The only country from which imports increased to any extent was Germany, the figures rising from \$3,825,700 in 1893, to \$5,841,500 last year. The balance of trade with Great Britain is largely in favor of the Dominion, while in our commercial intercourse with the United States the balance is an adverse one. The character of importation from the two countries, however, is essentially different, manufactured articles chiefly being bought from Great Britain, and raw materials from the United States. In this connection it may be observed that the excess of imports over exports in 1894 was only 4.8 per cent., the lowest rate in the history of Canada except only in the years 1870 and 1880, in the latter of which there was a small excess of exports over imports.

The value of the principal classes of exports in the last two years has been:—

Produce of	1893	1894
The mines.....	\$ 5,625,526	\$ 6,055,894
The fisheries.....	8,941,357	11,412,281
The forest.....	27,632,791	26,504,756
Animals.....	32,775,879	33,046,467
Agriculture.....	27,093,195	26,757,346
Manufactures.....	8,487,271	8,336,312

By far the most important single article of export is cheese, of which the immense quantity of 163,673,885 pounds were exported in 1894, having a value of \$16,267,309.

THE BONUSING SYSTEM.

As there are those in this city who imagine that its prosperity is to be ensured if we will only give bonuses enough to those who wish to locate with us, either in the way of remission of taxation or actual money payments, it may be well to remind them that something is due to those who have borne the burden and heat of the day, and that manufacturers who have been here for years paying taxes are just as much to be thought of as newcomers. It is of course always possible to do business if the seller is prepared to go to the utmost in offering inducements to customers. Even a small amount of commercial talent can effect sales if a sufficient sacrifice be made. It is doubtful,

however, if such a method is for the ultimate benefit of those who adopt it. The plea of those who want to locate newcomers here at any cost is that we cannot expect them to come unless inducements are offered. The policy has been sufficiently illustrated in Ontario. Again and again it has been necessary for the Legislature to do something to check the evil. There have been peripatetic industries the proprietors of which looked out for a good bonus, started their mills, worked up their subsidy, and then looked out for "fresh fields and pastures new." If the natural and commercial advantages of a place are not sufficient to attract manufacturing enterprises, it had better wait till they are. It is no use trying to grow the plant of commerce by the aid of the expensive manure of subsidies. The tendency of these things is to waste the substance of the town in uncertain speculations. —The Mail and Empire.

It is well enough to talk about "natural and commercial advantages" and likewise to denounce the bonusing system, but as far as Toronto is concerned it can never be considered in the race for greatness as a manufacturing centre until there has been an entire revision of the existing system of taxation. It would be quite as easy for a man to lift himself over a fence by his boot straps as for Toronto to attain to manufacturing greatness while pursuing a course which is entirely antagonistic to such success. We quite agree with our contemporary in discouraging bonusing, for the system has a flavor about it that suggests that the beneficiary of it is impecunious, and that he desires advantages granted to him that are not extended to others. For this reason we think bonusing is not only unfair to concerns established without the aid of bonuses, but demoralizing to those who accept such aid. Usually the inducements asked and accepted by bonus-hunters include exemptions from taxation for a term of years. In Toronto this exemption generally includes the plant and machinery of the factory, and sometimes, perhaps, the land upon which the factory stands. Of course, every such exemption means increased taxation upon other taxable land, and so the newcoming stranger is favored at the expense of the old residents. The argument is that the increase of population incident to the establishment of a new industry will more than compensate for whatever it may cost to locate it. As a general thing, owing to fierce competition, a manufacturing concern, perhaps long established, finds the margin of profit between the cost of production and the selling price of the product very narrow indeed, this narrowness owing in a great degree to the taxes imposed upon the plant. How, then, can he hope to compete with the newcomer who is exempt from the payment of such taxes?

It is noticeable that when it is known that a peripatetic manufacturer casts his eye in the direction of a bonus-offering community, such as Toronto, the owners of vacant lots are the most anxious of any to give a factory site, perhaps free of charge or at a merely nominal price, and to obtain exemption from taxation for him. Of course this has the appearance of being exceedingly patriotic, generous and public spirited; and much care is taken to publish the fact. But there is usually a string attached to the business, not intended to be visible to the careless eye, but which means a large advance in value of neighboring vacant lots upon which other factories may be erected, and residences for workmen built. Of course it is a good