

there is one manufacturing industry more than an other for the successful establishment and working of which Manitoba offers a profitable and inviting field, it is in connection with this very industry, yet it seems necessary that heavy bonuses must be given to induce men to attempt such enterprises. If milling cannot be carried on profitably in this country without bonusing such undertakings then milling had better be left alone, just the same as any other industry had better be left alone which cannot be made to work profitably on sound business principles. All lines of manufactures are subject to years of depression, and unfortunately flour milling has suffered in this respect during the past year. That flour milling cannot be made to pay in this province it is hardly necessary to use argument to prove, nor is it within the purpose of the present article to show whether the same be or be not a safe business for investment. Reference was merely made to this industry owing to the indiscriminate manner in which bonuses have been thrown about and offered for the establishment of mills.

The purpose of this article is to raise another note of warning in regard to the propensity still manifested by many Manitoba municipalities for getting into debt, and was conceived from noticing the announcement that the little corporation of Rapid City will shortly vote on two bonus by-laws, one for \$3,000 and the other for \$10,000. Rapid City is one of the towns which was prevented from getting over head in debt during the time of inflation, owing to circumstances over which its citizens had no control. It might have been expected that having thus luckily escaped the consequences of the "boom" period in this respect, the people of that place would go somewhat slower, now that there is some prospect of their town getting connection with the railway system of the province. But it appears that such is not the case. No sooner is there a prospect of getting a railway than the clamor for expenditure has commenced.

In the old time of inflation there was some little excuse for the recklessness developed. Business was brisk, profits were heavy, improvements were going on all over the country and the population was rapidly increasing. People were carried away with these manifestations of advancement, and every little hamlet in the country was looked upon as a large city

in embryo. Consequently civic debts were contracted, which, though known to be large for the present size of corporation, were thought to be light when the estimated growth of the town was calculated upon. But the population which was to come in to pay off the indebtedness did not arrive, as many have found to their sorrow, and the consequences have proved serious to several towns which might otherwise have made fair and solid progress. But every hamlet cannot become a great city and the disastrous examples of loading down municipalities with debenture indebtedness have been almost sufficient to fully exhibit the folly of discounting the future in this respect. Besides, even under the most promising prospects, it will always be found that as a town advances, new causes for expenditure will be continually arising, and generally more pressing requirements than those for which the existing debt may have been contracted. Therefore it is always advisable to keep the debt of a municipal corporation within the present ability of the people to meet the same, without inordinate taxation, and by so doing the corporation will be in a position to help itself when pressing occasion may arise for expenditure.

Large municipal debts have frequently been contracted with the expectation of bringing about more rapid development of the respective towns and the consequent enhancement in value of personal property. Indeed, this matter of personal property has generally been at the bottom of the majority of the debenture by-laws passed in Manitoba. Scheming real estate owners, who cared little for the genuine prosperity of the town, have frequently manipulated these bonus and debenture schemes, with the expectation of selling off their real property at a good figure while the excitement consequent upon the establishment of some new industry or improvement was at its height. Where heavy indebtedness is incurred through a desire to more rapidly develop a town and secure its permanent advancement, a little forethought will show the fallacy of such a course. Manufacturers will not be likely to locate in a town burdened with a very heavy rate of taxation, and capitalists certainly will not invest their means in buildings and improvement where the rate of taxation is exorbitant. Thus instead of a town having its prospects im-

proved its legitimate growth is frequently retarded through the floating of bonds. In a young and comparatively poor country like Manitoba, it will frequently be found that the school and judicial taxes, added to the necessary expenses of municipal government and the expenditures absolutely required for local improvements, will together amount to a sum quite heavy enough to be borne by the average tax payer. When additional taxes are laid upon the shoulders of the taxpayers for bonus or unnecessary local improvements, the matter becomes a serious burden. It is therefore time to call a halt when there is a disposition to count chickens before they are hatched by plunging municipal corporations into debt on future prospects. Several towns in the province have already shown their inability to meet their indebtedness, and it is to be hoped that with the example of these before us, the country will be spared further humiliation in this respect, through a continuation of the practice of heaping up municipal indebtedness on future prospects which may or may not be realized.

### MANITOBA CHEESE.

A paragraph in the *Northwest Farmer*, in which it is stated that Winnipeg wholesalers "will not handle Manitoba cheese, preferring the Ontario article of 'an equal or inferior quality,'" must have been written without inquiry into the facts of the case. Quite the opposite is true. Wholesale grocers here have been not only willing but anxious to handle the home product. Dealers here have frequently communicated with manufacturers, asking for quotations, etc., and not being able to come to terms with the latter, have allowed their stocks of cheese to run out, and left the field to the manufacturers, who have sold direct to the retail trade. Inquiries for quotations from manufacturers were not unfrequently met by asking what the wholesaler would pay, sometimes after a delay of a few weeks, by which time the sale would be lost. On the other hand the manufacturers have sold direct to the retail trade, and have expected about the same prices from wholesalers. Dealers could have imported cheese at a considerably lower rate than makers here were willing to accept, but this they did not care to do, preferring not to handle the product rather than work against the makers. Ontario manufacturers have consigned one or two cars to agents here, and wholesalers have been filling orders from their customers through these agents, as a makeshift, in the absence of carrying stocks of their own, and inability to come to terms with the home manufacturers.