

butter and cheese and substitutes therefor is raised from 4c to 6c per pound, and eggs are taken from the free list and rated at 5c a dozen. Hay is raised from \$2 to \$4 per ton. Hides, now free, are rated at 15 per cent. Vegetables in their natural state are increased from 10 to 25 per cent. and when prepared from 30 to 45 per cent. Fresh fish, not specially enumerated, is charged 1c per pound. There are general increases on fruits.

According to estimates made by the framers of the bill, its provisions will result in a reduction of the revenue to the extent of about \$80,000,000, of which about \$27,000,000 is accounted for by the reduction on sugar, and \$17,000,000 to \$19,000,000 by the reduction in internal revenue features of the bill. The reductions by additions to the free list will, it is estimated, aggregate about \$1,250,000. Regarding internal revenue it is provided that after May 1st, 1891, all special taxes upon dealers and retail dealers in leaf tobacco, dealers in tobacco, manufacturers of tobacco or cigars and peddlers of tobacco shall cease. Farmers and growers of tobacco are also exempted from the present tax after May 1, 1891. The bill provides that after January 1, 1891, the internal taxes on smoking and manufactured tobacco and on snuff shall be reduced to four cents per pound.

This bill, if it is adopted as presented, will be quite a serious blow to Canada's trade with the United States. Though the bill on the whole provides for a reduction in the revenue, there are sharp increases in the duty on the principal Canadian products exported to the United States. In fact it would seem that the committee has made a special feature of singling out commodities imported from Canada for higher duties. Canada's exported goods to the value of \$42,572,085 to the United States for the year 1888, or about two and a half millions more than were exported to Great Britain. One of the principal items of export from Canada to the United States is eggs, which for the fiscal year 1888 were valued at \$2,119,592. A duty of 5 cents per dozen on eggs is provided for in this bill. Fresh fish, formerly free, is to have a duty of 1 cent per pound. This will affect Manitoba's export trade in frozen fish. Canada exported \$2,402,371 worth of horses to the United States in 1888. Horses were formerly free, but are now to bear a prohibitory duty. Barley exports to the United States for 1888 were \$8,488,317. The duty on this grain is to be increased from 10 to 30 per cent. Another important item of export is hides, which were formerly free, but are now to be subjected to a heavy duty. Cattle and sheep, also leading exports, are to be made subject to a heavy duty. Hay, of which our exports were \$900,000 in 1888, has a couple of dollars tacked on. Wool, on which the tariff is to be increased, is another important item of export, as are also certain fruits, principally apples, and also vegetables. Exports of potatoes to the United States in 1888 were about \$1,000,000.

So on all through the list heavy duties have been tacked on to such commodities as are imported from Canada. This does not seem a very friendly move on the part of our neighbors to the south, that at a time when they are reducing their tariff, they should make general

and in some instances prohibitory increases on the duties upon the goods most largely imported from this country. The thing is done so systematically all through that it is evident the committee has some object in view in making such a move. Whether it is to endeavor to force Canada into annexation or commercial union, time perhaps will tell. It looks suspicious, however, that at the same time these tariff changes are reported, another committee submits a report in favor of reciprocity with Canada. This report is as follows:—

"That whenever it shall be duly certified to the President of the United States that the Government of the Dominion of Canada has declared a desire to enter into such commercial arrangements with the United States as will result in the complete removal of all duties upon trade between Canada and the United States he shall appoint three commissioners to meet those who may be designated to represent the Government of Canada to consider the best method of extending trade relations between Canada and the United States and to ascertain on what terms greater freedom of intercourse between the two countries can be best secured, and said commissioners shall report to the President who shall lay the report before Congress."

This would seem to indicate that the move is to force Canada into some trade combine with the United States. The proposed legislation says in effect to Canada:—"Accept our offer to negotiate for a trade compact or take the consequences."

For the fiscal year 1888 Canada imported goods from the United States to the value of \$55,513,790, or 50.06 per cent. of our total imports. Imports from Great Britain for the same time were \$39,433,617, or equal to 35.56 per cent. of our imports. Our exports to the United States for the same year were \$42,572,085, being 47.20 per cent. of our entire exports, as compared with \$40,034,984 exports to Great Britain, amounting to 44.44 per cent. of the total. These figures show the importance of the trade between Canada and the United States, and the vastness of the interests which will be affected by the proposed changes in the duty. They further show that the balance of trade is in favor of the United States, and that therefore the latter country has no good reason to impose a prohibitory duty on Canadian products. Furthermore, the Canadian customs returns show that our import duties discriminate in favor of the United States and against Great Britain. Customs collections on imports from Great Britain for the fiscal year 1888 were nearly \$2,000,000 greater than collections on imports from the United States, and this in the face of the fact that the value of imports from Great Britain was about \$16,000,000 less than imports from the United States. That is, Canada collected nearly two millions more in duties on thirty-nine millions of imports from Great Britain, than she did on fifty-five millions of imports from the United States. And now the latter country proposes to repay us for this discrimination in its favor by deliberately placing a strongly discriminating duty upon the leading commodities which we have been sending to the United States.

BUSINESS IN ONTARIO.

Manitoba is not the only place where mercantile payments are slow. In the province of

Ontario payments are generally represented as very unsatisfactory. This is to some extent accounted for by the very mild winter which the east has just experienced. Owing to the mild weather, sales of heavy clothing, etc., are supposed to have been light, and dealers in those lines have had more difficulty in meeting their paper. This, however, is only one of the reasons given for slow payments. Poor crops are also considered to have caused hard times. An eastern journal makes the statement that the shortage in the wheat crop of Ontario for the past three years has amounted to \$30,000,000. If this is approximately correct, it is no wonder that times are hard in the province to the east of us. In an old settled country like Ontario, where the farmers are well supplied with stock, and all requisites to their farms, and many of them with bank accounts besides, and where they have a wide variety of resources, the failure of a crop should not cause such serious trouble. If the matter were investigated closely, it would probably be found that the outrageous credit system prevailing in that province is the main cause of the hard times. Credit is carried to the greatest extremes, especially in the smaller country towns. Farmers are given credit promiscuously, and accounts are frequently allowed to run for years. The farmers bring in their butter and eggs, and these articles are taken on account by the storekeepers, at intervals during the season. But the account of the farmer with the storekeeper usually overruns the amount of produce marketed, and this balance is sometimes allowed to accumulate for years. Occasionally the farmer may make a cash payment of \$50 or so on an account which is overdrawn several hundred dollars, but he seldom thinks of squaring an account to date. Many of these farmers could give their check for the amount at any time, and they often have money out at interest, at the same time that their accounts are standing for hundreds of dollars with the storekeepers. Competition is close among the merchants, and they are afraid that if they insist upon a settlement at stated times, they will lose some of their customers. So they allow matters to run along in this unbusinesslike way, while they themselves are obliged to ask for renewals. There is great need of a reform in the credit system of Ontario, as well as in Manitoba. The evils of the credit system are there felt to an alarming extent. Manitoba was fast drifting into the same undesirable mode of doing business, and the effects of the system in the east should be a warning to Manitoba merchants to carry on firmly the movement now inaugurated to bring about a reform. This reform can be accomplished more readily now than years hence. Every year of loose business methods will render it more difficult to make a change. Now, while the country is young and the number of traders few, is the time to establish business on something like a legitimate business basis.

One of the results of the late session of the Manitoba Legislature is that "Epiphany" and "All Saints Day" are not now public holidays. It is just as well that these days have been dropped from the list. They were not generally observed as holidays, and the only result attained was to cause confusion and annoyance by the closing of certain offices and places of business at a time when not expected.