

important than is sometimes supposed. The most strenuous financial contest ever waged in Parliament was to preserve the circulation of the banks. And time and events have fully justified those who waged it. The Dominion Note Act was expressly framed on its present lines so as to secure this; and in our opinion, any measure which would in any degree jeopardize or interfere with bank circulation should be resisted in the interests of the country at large, not to speak of the banks themselves. These remarks are made in view of the proposal of the Government to issue five dollar bills as well as those it has the power to issue at present. Five dollar bills, it is well-known, constitute a large part of the bills circulated by the banks, and if the same denomination is issued by the Government, the circulation of the banks must necessarily be interfered with, perhaps to a considerable extent.

CANADIAN TRADE.

The advance of her outward and inward trade by leaps and bounds in recent years is one of the remarkable things in Canada's history. Not only does it attract attention beyond the seas, but, the intelligent portion of the United States people, especially those of the northern and north-western states, observe our growing trade and are pressing for reciprocity with us. In the year 1880, the aggregate trade of Canada amounted to \$174,000,000; in 1887 it was \$202,000,000. By 1896, it had advanced to \$239,000,000; in 1901 it was \$396,000,000, and this year it reaches \$424,000,000. These figures are noteworthy, not only for their size, but for their relative increase in two decades.

The change in the character of our exports is an element to be borne in mind. Years ago the great item of Canada's export was lumber and timber, ranging from \$25,000,000 to \$30,000,000 a year in value. In 1873, it constituted one-third of all our home export; in 1881, 31 per cent., and as late as 1890, 32 per cent., while the item animals and their produce, which attained such large proportions in recent years, was then quite subsidiary. For the last few years, two divisions of our export trade, live and dead meats, including dairy produce, and products of the field, have surpassed forest products in export value. Minerals form a much more considerable item of our outward trade. Exports of these last year, \$34,497,000, ten times what they were twenty years before. Our fishery product has developed too, and manufactures shipped abroad have made strides which are illustrated if we compare the \$16,000,000 and \$18,000,000 of manufactures exported in 1901 and 1902 with the \$3,000,000 of 1882 and the \$6,000,000 of 1892 under the same category.

The character of our import trade varied somewhat in the last twenty years. In 1882, out of total imports amounting to \$111,145,000, we bought \$50,356,000 worth from Great Britain and \$47,006,000 worth from the United States. To-day, out of total imports of \$196,000,000 we buy only \$49,000,000 worth from the Old Country and \$114,740,000 worth from the States. That is to say, the proportion of our purchases from Great Britain was 45 per cent. in 1882, and 25.36 per cent. in 1902, while from the United

States it was 42.33 per cent. in 1882, and had grown to 58.4 per cent. last year. Almost half these purchases from the States, however, were raw materials for manufacturers, such as raw cotton, crude rubber, wool, tobacco, hides, chemicals, besides steel rails and coal, and we must remember that these purchases by our manufacturers from the Americans have already gone to swell the aggregate of our 18,000,000 of manufactured goods sent abroad.

The following is a resume of our domestic products exported:

Exports from Canada 1902.

Produce of the Mine	\$34,947,574
Fish and Fishery Product	14,143,294
Products of the Forest	32,119,429
Animals and their Produce	59,161,209
Agricultural Products	37,152,688
Manufactured Goods	18,462,970
Miscellaneous Articles	32,599

Total Domestic Product Exported \$196,019,763

To the total in this table requires to be added say \$15,640,286 worth of United States wheat and other products shipped from our ports, to make the total exports from Canada.

The aggregate of Canadian trade for the fiscal year 1902 was \$423,910,444, of which \$221,270,158 consisted of imports and \$211,640,286 of exports. Not far from one half of this trade was done with the British Empire all over the world; more than half the exports went to the British Empire. It may be summarized thus

	Imports.	Exports.	Total.
British Empire	\$54,039,090	\$129,070,620	\$183,109,710
United States	129,794,147	71,197,684	200,991,831
Other foreign countries	27,436,925	11,371,982	39,808,903
	\$221,270,162	\$211,640,286	\$423,910,444

It will thus be seen that 43.18 per cent. of our total trade was done with the British Empire; 47.40 per cent. with the United States; and 9.42 per cent. with other foreign countries.

On another page we give a table showing imports, exports, total trade, and destination of principal exports. It will, we trust, be found a convenience by many readers.

PROSPECTS FOR BINDER TWINE.

The leading binder-twine interests in Canada seem to think that, on the whole, there will be a sufficiency—counting in the good, bad and indifferent—of binder twine to meet all probable requirements during the coming grain harvest. From present indications we judge that more twine will be wanted throughout the country this year than last; but this will be more on account of the increased acreage than of the yield, which though promising to be very good in some districts, in others looks less certain than it did two or three weeks ago. Prices have been fixed at slightly lower rates than those which prevailed last season, but there is no likelihood whatever of a further drop. Some of the manufacturers, indeed, have already disposed of their entire output, and agents have received instructions to take no more orders. Another thing that militates against any change in a downward direc-