

then the national feeling has developed such strength in favor of maintaining British connection, that whoever proposed a treaty of reciprocity with the States which involved discrimination against the mother country would be discredited. For a long term of years the working of the tariff of Canada has given an apparent advantage to the United States over Great Britain, as the following table shows:—

		Imports from Gr. Britain. \$	Imports from U. S. \$
Dutiable goods.....	1875	49,239,119	22,779,234
Free goods.....	1875	11,107,948	22,023,665
Dutiable goods.....	1878	32,139,783	23,468,033
Free goods.....	1878	5,291,397	11,163,686
Dutiable goods.....	1879	27,026,210	19,932,668
Free goods.....	1879	3,917,493	23,093,359
Dutiable goods.....	1895	23,311,911	25,795,538
Free goods.....	1895	7,819,826	28,839,000

It will be noted that, both before and since the introduction of a protective tariff in Canada, the proportion of goods from the States admitted free into Canada has been very large, larger indeed in some years than those charged with duty. On the other hand, the goods from Great Britain admitted free have been quite small, ranging from 15 to 33 per cent. of the total imports, while the free goods from the States have ranged from 52 to 110 per cent. The total of our imports from the States since 1873 have increased from \$47,735,000 to \$54,634,000, and our exports to the States have decreased from \$42,072,000 to \$41,297,000. On the other hand, our imports from Great Britain have decreased from \$68,522,000

to \$31,131,000, and our exports to Great Britain have increased from \$38,743,000 to \$61,856,000. That is, while we have been buying more from Americans by \$7,000,000, they have been buying less from us, and while buying \$23,000,000 less from Great Britain, the old land has more than doubled its purchases from Canada. Manifestly the English market is the more hopeful and expansive. If, however, we can get our products into the American market without endangering our native industries by the concessions granted in exchange for such a privilege, or weakening our hold upon the British market, Canada will have no reason to object to such an enlargement of its foreign trade as would probably result from a wisely arranged reciprocity treaty. The great obstacle is the disparity existing in the size of the two markets which would be partially thrown open. The States could give us 70 millions of people to trade with, while we can only offer them access to 5 millions. The natural products of the two countries are also much alike, and the manufactured ones are almost identical. Since 1854 Canada has, in both respects, become far more self-supporting and self-contained. The greatest caution will be needed lest in grasping at the bait of a wider market in the States we sacrifice our industrial enterprises, compromise our national independence, or alienate our best customer and staunchest friend, —Great Britain. Canada's motto should be that of President Jefferson: "Peace, commerce, friendship with all nations—entangling alliances with none."

STATISTICAL ABSTRACT OF THE CHARTERED BANKS OF CANADA.

Comparison of the principal items.

<i>Assets.</i>	31st Dec., 1896.	30th Nov., 1896.	31st Dec., 1895.	Increase and Decrease for month.	Increase and Decrease for year.
Specie and Dominion Notes.....	\$23,819,000	\$23,118,409	\$24,202,379	Inc. \$700,591	Dec. \$83,379
Notes of and Cheques on other Banks.....	9,016,940	9,441,263	9,115,065	Dec. 424,323	Dec. 98,125
Due from American Banks and Agencies.....	16,743,355	18,239,126	17,897,593	Dec. 2,486,771	Dec. 1,154,238
Due from British Banks and Branches.....	9,585,038	10,126,734	8,175,874	Dec. 541,696	Inc. 1,409,164
Canadian Municipal Securities and Brit., Prov. or Foreign or Colonial, other than Dominion.....	10,623,247	9,719,885	9,743,259	Inc. 903,362	Inc. 879,988
Railway Securities.....	11,875,189	11,758,440	10,893,702	Inc. 116,749	Inc. 981,487
Loans on Stocks and Bonds on Call.....	14,030,962	14,316,843	17,080,397	Dec. 185,881	Dec. 3,058,345
Current Loans to the Public.....	210,322,074	212,906,674	202,088,259	Dec. 2,384,600	Inc. 8,433,815
Overdue Debts.....	3,988,746	3,979,866	4,412,237	Inc. 8,880	Dec. 421,491
Total Assets.....	329,692,255	333,077,531	322,181,801	Dec. 4,385,276	Inc. 7,507,454
<i>Liabilities.</i>					
Bank Notes in Circulation.....	33,095,784	35,262,499	32,565,179	Dec. 2,166,815	Inc. 530,605
Due to Dominion Government.....	3,208,402	2,523,818	4,894,352	Inc. 684,584	Dec. 1,685,950
Due to Provincial Governments.....	2,260,126	2,856,325	2,299,932	Dec. 596,199	Dec. 39,806
Deposits payable on demand.....	70,529,211	70,051,597	67,452,397	Inc. 477,614	Inc. 3,076,814
Deposits payable after notice.....	126,101,012	126,791,355	119,667,176	Dec. 690,343	Inc. 6,433,836
Do made by Banks.....	2,614,940	2,751,050	2,959,409	Dec. 103,970	Dec. 314,469
Due to American Banks and Agencies.....	341,530	169,207	219,541	Inc. 172,323	Inc. 121,029
Due to British Banks and Branches.....	2,834,450	2,346,270	4,326,912	Inc. 488,180	Dec. 1,492,462
Total Liabilities.....	241,828,840	244,015,473	235,238,020	Dec. 2,186,633	Inc. 6,590,820
<i>Capital.</i>					
Capital Stock paid-up.....	61,731,354	61,725,769	62,196,391	Inc. 5,185	Dec. 465,037
Reserve Fund.....	26,670,799	26,438,799	27,665,799	Inc. 232,000	Dec. 995,000
<i>Miscellaneous.</i>					
Directors' Liabilities.....	7,960,665	8,019,857	8,274,874	Dec. 59,192	Dec. 314,209
Greatest amount of notes in circulation at any time during the month.....	35,429,816	37,236,493	35,014,003	Dec. 1,831,676	Inc. 415,813

Deposits with Dominion Government for security of note circulation, amount required being 5 per cent. on maximum circulation for year ending 30th Jun., 1896, \$1,846,218. Molsons Bank seems to have increased \$10,000.