

The question is being asked—How long can Great Britain maintain her industrial and commercial supremacy if this emigration of her people continues? A possible explanation for the emigration may be found in the desire of the people to escape from the heavy military and naval expenditure of Great Britain. Last year Great Britain spent \$139,000,000 on her army and \$220,427,000 on her navy. This burden of \$360,000,000 which is increasing year by year, will eventually crush the life out of the people of the Mother Country. It is not to be wondered that men desire to escape from the curse of militarism.

### SIR HENRY PELLATT REPLIES TO AMERICAN CRITICS.

In certain quarters of the United States, bitter attacks are being made on Canada and her economic position. These attacks are partly actuated by jealousy and partly through a desire on the part of the "bear" interests to depress the market.

A few days ago a particularly vicious attack was made and by means of cleverly constructed tables and through the distorting of facts and figures, somewhat alarming conclusions were reached. In reply to this contention, Sir Henry Pellatt of Toronto, issued a statement refuting the arguments presented by the American critics and declaring that Canada's position was eminently satisfactory. Sir Henry's statement in regard to the matter follows:

"An attempt is being made in the United States to create the impression in the European markets that the financial conditions in Canada are unfavorable," said Sir Henry, "and that the wave of prosperity with which Canada has been blessed for some years is about to recede.

I cannot see the object of this, but imagine it is for the purpose of preventing the immigration of American farmers into Canada, and to check the volume of money which is steadily flowing into Canada from the United States for manufacturing purposes, and perhaps in an attempt to divert European millions from prosperous Canada into the United States.

"Quite recently an article in an American magazine has been distributed throughout Canada among the banks and financial institutions, based entirely upon the fact that there has been in the last year an excess of imports over exports amounting to \$228,000,000. By means of a chart this excess is shown to be a great excess peak against Canada in relation to minor excesses in the past history of the countries of the world, and it is asserted that Canada had over-passed the 'crest of prosperity, and was heading for the trough.'

### MR. WILKIE'S VIEW.

"A conclusive answer to this is to be found in the remarks made by Mr. D. R. Wilkie, President of the Imperial Bank of Canada, in his annual report to the shareholders on May 28th, last, in which, under the heading of Imports and Exports, he says:—

"It is an occasion for some disappointment to find that, although the exports of Canada for the year 1912 amount to \$393,232,057, the total value of the imports was \$692,032,392, indicating an adverse balance of about \$300,000,000. This is not necessarily an unfavorable feature; it has been more than compensated for by borrowings from abroad on capital account amounting to \$250,000,000 by Government, municipal, railway and loan companies, and by the cash value to us of an additional 400,000 people who have come to settle among us from Great Britain, the United States and elsewhere."

### INCOMING WEALTH.

"Mr. Wilkie quotes the departments at Ottawa," continued Sir Henry, "to show that these immigrants have brought in with them in money and goods \$200,000,000. These two sums together equal \$450,000,000.

"The United States immigrants (141,000) each brought an average of \$1,000, making a total of \$141,000,000, which is included in the \$200,000,000.

"It is also pointed out that the value of these immigrants' effects is included in the excess of imports over exports. Furthermore, that almost the whole amount of the excess in imports was occasioned by our trade with the United States; the imports from the United Kingdom have fallen short by about \$40,000,000 of the value of our exports. It is further shown that the exports of the mine are assuming very large proportions, and are likely to continue to increase.

"Of the total exports, amounting to \$355,745,000 the mine accounted for \$57,442,000 the forest \$43,215,000, manufactures \$42,692,000, and agricultural products \$195,000,000; fisheries yielded, \$43,667,872.

### OUR SURPLUS.

"Canada is the only country in the world that can show a balance of revenue over and above its expenditure on public works (of very considerable magnitude), and is able to reduce its public debt out of the revenue balance by twenty million dollars.

"The conclusion drawn by the American writer would be fair if the only matter for consideration was the fact of the adverse trade balance. He must have known of these