

depression caused by the collapse of the Australian Banks, Canada did an irregular but rising trade with the Australian colonies, principally in timber and fish. In 1889 the exports to Australia amounted to \$661,208. From that year it began to decline, and in 1893 the volume had dwindled to \$281,352. This in part was attributable to the diminished demand of the colonies, but as the decrease in Canadian exports was very much greater than the lessened demand in the colonies it is clear the Canadians were being shouldered out of their former market.

In 1893 the Canadian-Australian line of steamers were put on the route between Sydney and Vancouver. The Hon. Mr. Bowell, one of the members of the then Government, came here to spy out the land, and on his return home in the latter part of 1894, Mr. Larke was sent out to look after the interests of the Canadian people, as resident commissioner. From that period the trade has advanced steadily. The Canadian returns show it to have been :

1894.....	\$346,641
1895.....	428,267
1896.....	518,233
1897.....	1,422,426

The character of the trade has changed, as well as increased in volume. The two items which largely composed the trade of 1893 do not show great extension. The exports of fish and fruits were: 1894, \$68,302; 1897, \$77,698; and of timber, 1894, \$139,552; 1897, \$202,192. The largest increase is in breadstuffs, \$445,000 due to the deficiency of the Australian harvests. This is an exceptional business, but some of it appears likely to continue. The remainder of the increase, amounting to over half a million dollars, is made up of manufactures, the large items being in cottons, agricultural implements, bicycles, carriage maker's materials, organs and pianos, drugs and chemicals, boots and shoes, and other leather and rubber goods, paints, varnishes, etc. In a number of these lines the Canadians have been very successful, and the establishment of branch houses shows they have come to stay.

The Australian side of the account is not so rosy. The direct exports from this continent have fluctuated, and with no great advance. They are as follows :

1894.....	\$156,534
1895.....	117,941
1896.....	213,683
1897.....	147,900

The steamship line offered rather better facilities to Australia than to Canada for the export of goods. During 1897 the steamers were filled from Canada, frequently cargo was