

Direct commercial lines should be established between the eastern coast of the United States and the ports in South America, our Pacific coast ports, and Mexico, Central and South America.

The encouraging of our merchant marine and the building of ships which will carry the American flag, to be owned and controlled by Americans and American capital.

The building and completion as soon as is possible of the Isthmian Canal, so as to give direct water communication with the coasts of Central America, South America and Mexico.

The construction of a cable owned by the Government connecting our mainland with our foreign possessions, notably Hawaii and the Philippines.

The use of conciliatory methods of arbitration in all disputes with foreign nations, so as to avoid armed strife.

The protection of the savings of the people in banks and in other forms of investment by the preservation of the commercial prosperity of the country and the placing in position of trust men of only the highest integrity.

CANADA'S FOREIGN TRADE.

The Department of Customs has published a statement of the imports and exports of Canada by countries during the fiscal year ending June 30, 1901. The total value of goods imported was \$190,415,525, as against \$189,625,513 in the previous year, or an increase of \$793,012. The total value of the goods entered for consumption was \$181,237,988, an advance of \$433,672, as compared with the preceding twelve months, when the figures were \$180,804,316. Of the total imports \$105,969,756 were dutiable and \$75,268,232 were free, as against \$104,346,795 dutiable and \$76,457,521 free in 1900. The total duty collected amounted to \$29,106,979, or \$217,869 more than the previous fiscal year. The imports from Great Britain for consumption amounted to \$43,164,297, as against \$44,789,730 for the year previous, a reduction of \$1,625,433. The value of free goods was \$11,316,510, as against \$13,227,974 in 1900. The dutiable goods from Great Britain show a slight increase over the figures for last year, \$31,701,654, compared with \$31,561,756. The value of goods imported from the United States for consumption was \$110,485,008, while in the preceding year it was \$109,844,578, an increase of \$640,430. The dutiable goods totalled \$53,600,278 in value, as against \$53,897,561, whilst the free goods were \$56,884,000, compared with \$55,946,817. The imports for consumption from France show an increase of \$1,029,519, the figures being, 1901, \$5,398,021; 1900, \$4,368,502. The increase was altogether in dutiable goods, which amounted to \$4,569,060, as against \$3,503,609. The free goods from France amounted to \$828,961, while for the previous year they were \$864,893. Canada took \$7,021,405 worth of goods for consumption from Germany last year, a falling off, as compared with the year previous, when they amounted to \$8,383,498. The value of dutiable goods was \$6,121,190, as against \$7,465,447, and that of free goods \$900,215, compared with \$918,051.

The grand total of exports was \$196,487,632. In making up these figures no amount was included for exports "short returned" to the United States, as in previous years. If the practice of making an estimate of "short returned" had been followed this year the estimate would be \$6,108,789. It has been deemed advisable by the department to discontinue the practice this year, in view of the fact that a new system of recording export entries was inaugurated at the commencement of the last fiscal year, under which it is hoped that greater accuracy will be secured. It is not considered possible to devise a system regarding export entries which will insure a complete record of all merchandise exported from the country

being obtained, inasmuch as considerable quantities of merchandise go by road in districts remote from custom houses, and for other reasons. Notwithstanding this, it has been considered wise to base the statistics of exports for the present year and for the future on the actual figures recorded by the entries made at the ports of exit. The exports of Canadian merchandise to Great Britain last year amounted to \$92,857,525, as against \$96,562,875 for the year previous, a reduction of \$3,705,350. The value of foreign exports sent from Canada to Great Britain was \$12,471,431, as against \$11,173,093. The exports of Canadian merchandise to the United States (not including estimate short) were \$67,983,673, while for the year previous they were \$59,666,556, including "short returned," an increase of \$8,317,117. The increase of exports to the United States is accounted for largely by the bullion shipped from the Yukon. The foreign merchandise sent from Canada to the United States was \$2,423,168, an increase of \$456,751 over the previous twelve months. The exports of Canadian merchandise to France were \$64,369 ahead of 1900, amounting to \$1,436,628. In 1900 the exports of foreign merchandise to France were \$2,411; last year they reached a total of \$144,703. The exports of Canadian merchandise to Germany increased by over a quarter of a million, the figures being \$1,374,716, compared with \$1,108,163. Of foreign merchandise Canada sent \$766,836, or \$159,096 more than in 1900.

The manuscript of the trade and navigation returns for the fiscal year ended June 30, last, has been placed in the printers' hands, and is expected to be printed and ready for distribution some time next month. The report has been completed much earlier than has heretofore been the case. In the past the printed copies have not usually been distributed until January or February in each year, but Hon. Wm. Paterson, when he took charge of the Customs Department, saw that to be of any practical value statistics should be prepared and issued as promptly as possible. Accordingly he took the necessary steps to institute a reform in this direction, and the result gives every cause for satisfaction. The statistical staff have not only got the report out within a couple of months of the close of the fiscal year, but they were able to keep up with the monthly statements, which are of the most detailed and comprehensive character.

CANADIAN MANUFACTURING INDUSTRIES AND THE TRADE INDEX.

We have heretofore alluded to the extreme unreliability of the Trade Index, recently published by the Canadian Manufacturers' Association, and the facts we produced have brought us many criticisms from correspondents regarding the matter, one of whom, after pointing out a number of these inaccuracies, says:—"Instances of this character could be given ad libitum. The whole work is misleading to a degree, and detrimental and inimical to the best interests of the country."

The introductory of the Index, speaking of manufactures from agricultural products, tells us that the large grain fields of Canada have led to the establishment of huge milling industries, and that our exports of flour last year amounted to \$2,800,347. In page 155 of the Index is recorded the names of but ten concerns who manufacture wheat flour; and it might be reasonably supposed that these were the ones who exported nearly three million dollars worth of that article; seven of these operate mills in Ontario, two in Manitoba and one in British Columbia; but one of these does not manufacture wheat flour. The name of the second largest flour milling concern in Canada, who are large exporters, does not