

\$868,676,000, and in 1880 it was \$1,056,584,000, an increase of \$187,908,000 in ten years. In 1880 this debt averaged \$21.07 per capita of the population, the debt of the State of New York being \$218,723,000, the per capita distribution of it being \$43.03. The funded and unfunded debts of the several States of the American Union for the last obtainable year (but not of the Territories), as given by Mr. A. R. Spofford in his American Almanac for 1889, aggregated \$221,785,205, the aggregate value of all taxable real and personal property as assessed, \$22,637,383,298; and the amount raised by taxation in these States that year was \$70,995,039. Massachusetts owes the largest debt—\$31,429,681; and New York raised the largest amount by taxation—\$9,075,046. The highest levy for State tax was 90 cents on the \$100 in Nevada; in Nebraska it was 75 cents, and Louisiana 60 cents. The lowest levy was in Massachusetts, where it was 11.5 cents on the \$100. The States of Colorado, Illinois, West Virginia, and Wisconsin owe no debts. Mr. Spofford, while stating the debts of the several States, does not give the county and municipal debts of them, neither does he give the debts of the Territories.

As we have shown, the State, county and municipal debts of the several States and Territories increased nearly \$188,000,000 in the decade from 1870 to 1880; what the increase will be shown to be in the next decade ending with 1890 cannot now be stated. In 1880 the population of the United States was 50,155,000; and the average per capita distribution of this State, county and municipal debt in that year was \$21.07, while the per capita distribution of the debt of the United States was \$38.27—a total per capita of all debts of \$59.34.

As regards per capita taxation, Canada compares very favorably with the United States, with the United Kingdom, or with any British possession. According to the Statistical Abstract and Record for 1888, the estimated population of the Dominion was 4,972,101, upon which the per capita revenue for that year was \$7.22, and the expenditure \$7.38. In the United Kingdom the per capita revenue that year was \$11.60, and the expenditure \$11.29; the expenditures of Newfoundland were \$8.93; Bermuda, \$9.11; New South Wales, \$42.39; Victoria, \$30.82; South Australia, \$32.89; Western Australia, \$53.32; Queensland, \$44.43; Tasmania, \$22.84, and Falkland Islands, \$24.10. The revenue of the United States is \$6.32 per capita, and the expenditure, \$4.32.

The following is a table showing the per capita taxation in certain countries in 1887:—

Canada.....	\$ 5 88
United Kingdom.....	9 93
New South Wales.....	12 68
Victoria.....	13 56
Queensland.....	18 37
W. Australia.....	22 03
New Zealand.....	15 31
Austria.....	7 08
France.....	11 69
German Empire.....	2 70
Italy.....	8 22
Spain.....	8 05
United States.....	5 75

The net debt of Canada on July 1, 1888, was \$234,531,358; and considering the revenue for that year, it would require six and a half years for such revenue to extinguish the debt. The principal objects embodied in this debt were the assumption by

the Dominion of the debts of the various Provinces; the construction of the Intercolonial and Canadian Pacific Railways and numerous public works, the enlargement and improvement of canals, harbors and rivers, and the acquisition and management of the North-West Territories. The total assumption of Provincial debts by the Dominion amounts to \$109,430,148, leaving the sum of \$125,101,210 as the actual net liability created by the Dominion Government since Confederation. The net per capita debt of the Dominion on July 1, 1888, was \$47.17, the net per capita interest paid upon which was \$1.79.

PRODUCTION AND CONSUMPTION.

THE *Mail*, speaking of the trade of the Dominion for the past year, alludes to the fact that the exports for last year were a million dollars less than the previous year, while the imports—goods entered for consumption—increased \$6,800,000. It says:

“Protectionists and Free Traders will agree in regarding the decline in our exports as an unsatisfactory thing. The fact that while our exports declined, we used nearly seven million dollars more of foreign goods than in the preceding year, is a peculiar phenomenon. In a normal and healthy state of trade, an increase of exports means simply an increase of consumption. But the complaints of our millers and manufacturers lead to the belief that the seven million dollars' worth of foreign goods have, in spite of a high tariff, displaced that quantity of goods of Canadian manufacture.”

The falling off of exports last year, valued at a million dollars, means either one of two things. It means either that there was a falling off in production to that extent, or that the home consumption increased to that extent. The figures are not at this time available, showing in what particular products the falling off occurred, and the fact can only be “unsatisfactory” in case it should be proven to be that the deficiency was in the products of the farm, the mines, or the fisheries. But there was nothing developed during the year indicating that there were any serious deficiencies occurring in these industries; and the reasonable conclusion is that the home consumption increased a million dollars during the year. As far as this feature of the returns goes the question of Protection or Free Trade does not apply.

The *Mail* thinks the increased consumption of foreign merchandise “a peculiar phenomenon,” but in our opinion there is nothing remarkable about it. With a population of five million souls in a prosperous year, the additional absorption of a million dollars' worth of home products would be only about one dollar's worth to each family of five persons in the country; and the additional absorption of nearly seven millions of foreign merchandise, distributed per capita, amounts to only about one and one-third dollars.

It does not imply, as the *Mail* intimates, that this increased consumption of foreign merchandise is “in displacement of that quantity of goods of Canadian manufacture,” but it really means that the country, being that much better off last year than the year before, indulged to that additional extent in buying the more expensive lines of merchandise not manufactured in Canada. There is no evidence to show that there was any reduction in Canadian manufactures last year; but there is every reason to believe that the production of Canadian manufacturing industries last year was greater than ever before in the history of the country. “The nation that manufactures for itself, prospers.”