

employment to our people." Within a few weeks past, to cite one authority, the leading newspaper of the city of Quebec, the *Daily Chronicle*, made the following statement, which has a two-fold significance: "Unfortunately it is a truism, and requires no demonstration, that ship-building, formerly the main industry of Quebec, has almost ceased to exist, and that consequently our laboring population, the very bone and sinew of the body politic, were commencing to seek in the adjoining republic that employment which was no longer to be found here. Too many, indeed, already, we fear, have removed permanently from our province."

General evidence of the magnitude of the emigration that goes on from the Dominion to the United States is abundant, though the statistics to represent it in defined numbers, with tolerable exactness, are lacking. What is true of Quebec is undoubtedly true to not much less extent of Nova Scotia and New Brunswick, and if Ontario does not lose population in equal numbers it loses very considerably from a class where the young blood is the life force of a country. Against these losses there is no equal offset or exchange. (Emigration from the United States to the provinces is limited, though valuable to the latter, because chiefly confined to men who go there with a definite enterprise in view, and generally with capital, to engage in lumbering, or mining, or salt making, or oil producing, or general speculation and trade. Under different conditions, the number of these would unquestionably be multiplied to a very great extent.)

PARTIAL PROSPERITY IN THE DOMINION.

I hope I shall not be accused of having labored to make a representation of circumstances unfavorable to our northern neighbors. I give facts as I have found them, in seeking, without preconceived notions, to ascertain the relative situation of affairs in the two countries, which came, as I have viewed it, a necessary part of the subject submitted to me for investigation. I group these facts here to show, as I think I do show, that if that which appears to be the only practicable arrangement under which a natural state of trade between the United States and the British provinces can be established, involves a change in conditions that prevail within the latter, assimilating them to the conditions existing in the United States, the change cannot be one to the detriment of the people of the provinces, and cannot form a forbidden obstacle to the arrangement.

I know and I do not contradict the claim to prosperity that is asserted in considerable portions of the Dominion. Prosperity, upon a moderate scale to which everything is adjusted in the provinces, exists throughout most of Ontario, in the city of Montreal, and in several small manufacturing towns that have grown up in the lower provinces to a degree of prosperity quite in contrast with the aspect of affairs, generally speaking, in Quebec, and for the most part prevailing in the maritime provinces. The people of Ontario are very comfortable; many of the towns show more life than they formerly did, are adding to their industries, and are slowly growing. One branch of manufacture, the woolen manufacture, has obtained quite a root, and has risen to considerable magnitude within a few years past; so much so as to diminish the importation of woolens nearly a million of dollars in 1869 from the importation of 1868. In railway enterprise there is a noticeable stimulus, stimulated in great part by the American transit trade, the