

and the exports increased 53 per cent. In the case of Japan the increase of imports was 56 per cent and of exports 130 per cent, showing that Japan markets are not overwhelmed with imports as ours are, and that her industries are growing in a more rapid ratio than those of Canada. One gratifying feature of the trade of Great Britain is the fact that while the imports increased only 26 per cent, the exports increased 61 per cent. That is a substantial increase of exports indicating the active manufacturing industries of Great Britain and her success in finding markets.

His Excellency makes reference in paragraph 3 of the address to our trade with France. I said a moment ago that our trade with France in grain had increased considerably. In other articles, our trade with France is not as satisfactory as it ought to be. We imported from France \$8,000,000 worth and sold \$2,341,000 worth. The trade is not as large as it should be, though we have had commercial agents in France for many years. We have been giving a large subsidy to vessels trading between Canada and France, yet the aggregate trade amounted to only about \$10,000,000. There has been a very slight increase in the aggregate in the last five years. In 1905 it was \$7,200,000, while last year it was \$8,000,000, or an increase in our imports from France of \$800,000 while our exports to France have increased in all about \$800,000. Our exports to France consist mostly of three or four articles, bread-stuffs, mostly wheat, \$952,000; agricultural implements, \$761,337; fish and products of fish, \$1,019,000, and wood pulp, \$83,590. Under this treaty we are making with France, it is possible we may have an easier entree to the French market, and that trade relations of a more cordial character will be opened. Forty millions of people ought to provide a considerable market for Canadian produce, and I would hope that the time is near at hand when our exports to France shall almost equal our imports from France. All we can do in the meantime, however, is to follow the course we are now pursuing. By maintaining trade commissioners in France, Great Britain and other countries we may open up such markets for Canadian pro-

ducts as may be available to us. The United States have about 189 consular agents in the Dominion of Canada alone. They have nearly as many in the United Kingdom. They have several in Mexico, and in nearly every republic of South America and in every part of the continent of Europe they have their agents, consular or trade agents. The Canadian Department of Trade and Commerce has been grappling with this question with a great deal of zeal, and, I am gratified to learn, with a great deal of success, and our increase of trade is greatly owing to the policy pursued by that department. Still we should not be afraid to spend more than we do in developing our trade. It is the very life of our agricultural success, and the more we can trade with foreign countries the more cordial will be our relations with them, and the more opportunity will our people have for finding useful employment.

Reference is made in the speech to a probable amendment in the Banking Act. The government of Canada has adopted, I believe, a very sound policy in regard to banking, and that is that only decennially should the Act be amended. The banking system of Canada has stood the test and met the approval of other countries. Not long ago a deputation from the United States visited Canada to inquire into our banking system, and in the Banking Act foreshadowed since their return some features of our system will be copied by the United States. Imitation is the highest form of flattery, and Canada will be flattered if we give suggestions which will improve the laws of the neighbouring republic. Under our banking system 22 banks have failed since confederation, and only two of them failed to pay the note-holders in full. This is good testimony as to the soundness of the organization of our banking system. Only five failed to pay the depositors in full. Under the present system it is practically impossible for a note holder to lose, and, as the depositor ranks next in precedence his position is almost as good. Whatever amendments can be made to the Bank Act to improve it, this House will carefully consider, as no doubt it will any amendment to be made

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