

In connection with imports of domestic goods from Eastern Canada, Consul Taylor notes that, owing to the increased facilities by lake and rail, such imports have greatly increased and now amount to \$7,823,628, or double the total of importations from foreign countries. But for the importation of munitions of war, etc., owing to the rebellion, the Consul thinks the figures for foreign goods would have been greatly reduced, and probably to an amount not in excess of the year 1881. The following table showing the importations of foreign goods for the past six years, will be of interest:

1880.....	\$ 784,865	\$ 40,118	\$ 833,983
1881.....	1,381,083	115,303	1,496,986
1882.....	3,699,349	807,571	4,506,920
1883.....	6,368,849	1,868,360	8,237,209
1884.....	2,825,375	1,860,886	4,686,261
1885.....	2,763,445	898,369	3,661,814

The exports from the district are next dealt with and summed up as follows for the year ending June 30th, 1885:

To Eastern Canada.....	\$1,500,000
To Great Britain	895,232
To United States	232,109

Against \$1,938,278 for 1883-84. 2,627,341

The exports to Eastern Canada consisted mainly of wheat, though considerable shipments of furs, hides and barley were made. To Great Britain the exports consisted almost entirely of raw furs, shipped by the Hudson's Bay Co., to the amount of about \$880,000. The exports to the United States were made up in part of furs, \$38,055; fish, fresh and cured, \$47,958; hides, \$22,946; which were the more important items.

The report deals at length with the construction and completion of the C.P.R.; the probable early commencement of the Hudson's Bay railway; the grain and ranching interests and the settlement of the fuel question through the discovery of vast coal fields, altogether forming a paper well worthy of perusal.

THE COMMERCIAL OUTLOOK.

It is becoming apparent that a great improvement has taken place in the general commercial situation throughout the North-American continent, during the past few months. Evidences are continually coming in from different sources, all tending in the direction of commercial recovery and increased industrial activity. There has not been experienced anything resembling a sudden commercial "boom," nor is there likely to be any such marked distinguishing feature to divide a time of

depression from a season of reasonable activity. On the contrary the change has been a gradual one, and has come about almost imperceptibly. In fact the recovery has been of such a quiet and unostentatious nature, that quite a high degree of confidence in commercial and industrial operations had been reached before many were aware of the change going on.

The commencement of a season of depression is always first noticeable in the larger industrial centres, thence gradually extending, though generally in a less marked degree, to the more distant portions of the country. Hence, whilst depression has frequently come suddenly and with great force upon eastern industrial centres, often causing panic and disaster, the great west has escaped dire calamity, after a time merely distinguishing a degree of depression equal only to a faint echo from the great crash which had come upon the east. Whilst in the east industry would be engaged in a struggle for life, in the west development would only be retarded, but not checked in its onward movement. The reason of this difference is easily seen and readily accounted for. The centralization of industry in the older settled and more densely populated portions of the country, has brought immense investments of capital in single industries and in districts of limited extent. On the first approach of depression, capital, always timid, is rapidly withdrawn and locked up in the vaults of monetary institutions. The great lubricant to the wheels of industry being thus removed, these must cease to revolve. The low prices which invariably rule for manufactured goods during a time of depression, render operations unremunerative and necessitate low wages. In the more recently settled and but partially developed portions of the country there is nothing like the same proportionate investment of capital in industrial enterprises, consequently there cannot be any great amount of capital withdrawn from such. Then the development going on peculiar to a new country will be continued to some extent, even in a time of depression, and will sometimes be augmented by capital withdrawn from eastern industries.

It is but natural that where depression has been felt the keenest, the first signs of recovery should be observed, and hence we have the first reports of returning prosperity coming from the manufacturing

districts and leading commercial centres of the Eastern and New England States. As early as last spring there were not wanting signs of returning prosperity, but the labor troubles which were brought on at that time effectually destroyed confidence and retarded commercial recovery. Now, however, that these difficulties have been removed, and industrial operations having been running along smoothly for a while, confidence has been gradually restored, and signs of improvement have come in from many quarters.

These signs of a more active and prosperous era are many and varied, and of such a nature as to leave no doubt as to their genuineness. First we have the exceptionally heavy volume of general business which has been transacted at the large eastern commercial centres. This is abundantly attested for by the bank clearings, which show a gain to date of nearly 30 per cent over last year. If further proof were required, a glance at the railway earnings would convince the most skeptical that a very large volume of trade has been done for the past few months, the monthly returns of the leading roads all showing heavy gains, as compared with last year. Stock markets also have shown increased activity of late, thus proving the existence of greater confidence in this class of securities. The failure returns for the United States and Canada have declined to a total to date considerably under the record for 1884 and 1885, whilst the aggregate assets have been proportionately higher. There has also been a marked improvement in prices of some leading manufactures, notably pig iron, which has advanced steadily and is held very firmly, with factories heavily sold ahead. Dry goods hold firm in woollens and cottons, with prices tending upward. These advances in prices have been brought about by increased demand and pressure of work at the manufactories, and not by speculation or combinations, and therefore partake of a substantial character.

Altogether there is undeniable evidence of a great improvement in trade and a feeling of confidence pervading mercantile life at industrial and commercial centres. To what an extent this commercial revival may influence the situation in the Northwest, future developments will show, but it cannot but have a beneficial influence toward the development of our resources and industries.