

tive prices which grew out of the war, gave to Canada what Mr. Thomas White, jun., calls "an absolute, entire, and complete protection of all the industries of the country." In order to induce the maritime provinces to unite in the confederation, the protective duties introduced by Mr. Galt were lowered almost to a free-trade basis, — to a low-tariff basis, at any rate. But the high cost of labor and materials in the United States saved Canada from American competition; and so her industries went on expanding and thriving in spite of the repeal of 1866, which seemed so much against her.

Since 1873, manufacturing in Canada has encountered the same re-action as it has in other parts of the world. The collapse of speculation and unsettling of the markets have, however, been met with the same pluck and energy which characterized the Canadians in previous crises. Manufacturers have reduced expenses and production to give the markets a chance to recuperate, and they have been exceedingly wide-awake in the matter of opening up new fields for the sale of their wares. They were present at the Philadelphia Exhibition in force, and made a display of goods which attracted marked attention. Their whole exhibit of agricultural tools was bought by the Australian commissioners for transportation to Australia. This was followed up by the Canadians sending a ship or two to Sydney direct, loaded with goods for the great Exhibition there, and for sale. They made a better show in that Exhibition than the Americans did, and they have been active ever since in working up that market. They have also paid fresh attention to South-American and Indian markets, and are leaving no stone unturned to find a place where Canadian goods can be introduced, and their sale made to yield a profit. When business revives, they will be in a most admirable position to catch its first and best fruits.

One of the most characteristic of Canadian industries is ship-building. The practice of the art by that people is historic, it having come down from the earliest times. The bulk of the building is done in the maritime provinces and on the Gulf of St. Lawrence, where the facilities for it are better than in any other part of the country, and where the fisheries make constant demands upon the yards. In 1871 the distribution of the yards was as follows:—

	NUMBER OF SHIP-YARDS.	WORKMEN.	VALUE OF PRODUCT.
Ontario	19	450	\$359,212
Quebec	43	2,164	1,351,416
New Brunswick	78	1,364	1,086,714
Nova Scotia	112	2,058	1,634,920
Total	252	6,046	\$4,432,262