

to the New York *World*, states that in 1862 we "consumed of the produce of the United States \$14,699,816." "The Americans of our exports only \$8,897,178 or \$5,802,638 less than Canada consumed of their products. Taking therefore, the *World's* own standard of comparison, the United States have an enormous advantage by the Reciprocity Treaty." We wonder after such a truthful exhibit that the *Globe* still so loves that treaty. There were also two and a half millions more for manufactured goods. If the gold that we have so lavishly bestowed upon the United States for food and raiment, had by wise legislation been kept in Canada to enrich our own farmers and build up our own manufacturing, the thousands that followed our money would have remained in Canada, and our country and themselves been incalculably better off.

We wish now to show how we cancelled the \$26,708,072 we had over imported during the three years ending with 1859. Remarkable as it may appear, we exported in 1860 \$190,279 more than we imported. A considerable expenditure on railroad accounts was still being made, large sums were borrowed by government, municipalities and private individuals for public and private purposes; to those amounts we have to add the sums brought into the country by emigrants, which when all put together were as near as can be judged sufficient to cancel a large portion, if not nearly all of the commercial debt we had incurred in the three years referred to.

Another very important fact was now beginning to favourably effect our commercial position, viz: the rapid extension of our manufacturing interests through the increase of our tariff in 1858, which caused a better demand for labour and a better and more permanent home market for our agricultural products, than we other-

wise would have had. Those various items all assisted to again place us at the end of 1860 in a reasonably sound commercial position.

The commercial interests of the country have apparently improved since 1860, our merchants and business men generally have done a remunerative business and feel safe.

The Toronto *Globe* of November 20th, in an article upon the "cowering inflation" in England, and the existing one in the States, thinks there will not be any inflation in Canada, and says, "We look forward to a period of steady prosperity unmarked by great events, but a permanent and stable growth in wealth and population." The *Globe* is right in stating that we need not fear a Canadian inflation, or in other words, an over abundance of money in Canada for years to come, but all the other of its conclusions as above quoted are falacious. We wish it were in our power by the light of the facts, to arrive at the same encouraging conclusions, but we cannot. The facts presented to us in the government statistics, as above stated are, that in the last three years we have accumulated a commercial debt of \$30,000,000, which is more than equal to one-half of our National debt. In the previous years we were annually disbursing foreign capital largely for railroads, government works, and other purposes, which we have not during the past three years, therefore it is right to assume that very little, if any, of that \$30,000,000 has as yet been paid in the way that our previous over importations were annually reduced. While all parties lament over the amount of our national debt, a large portion of which was incurred for national works, where is the party or the individual legislator in the House of Assembly, or in the Legislative Council, who has accorded that mode of attention to a question of so vital importance