

rise in freights that has taken place within the last year, and I find that the tonnage which was built in 1888 in Great Britain was nearly double the tonnage which was built in 1886, and largely in excess on that which was built in 1887. As a consequence of the revival in the shipbuilding trade and in the carrying trade, there has been a stimulation of the coal production, and the demand by shipowners and shipbuilders has caused a large output, and a rise of wages for those who work the mines. The iron industry has been helped as well, and cotton shipments have increased. One very good index of the state of Great Britain is that, whereas at the end of 187, 20 labor societies, reporting a membership of 197,000 men, reported 13,700 unemployed, or 7 per cent., at the end of 1888, 21 societies with a membership of 249,000, reported only 8,200 unemployed, or 3 per cent. Throughout Great Britain, according to latest advices, there is a growing confidence and a cheery outlook for the trade in the future. Much the same may be said with the trade of the United States. The features of the trade of the United States for the last year have been its heavy output of pig iron, the highly satisfactory condition of its various industries and its cotton trade especially, and the large output of anthracite coal, the largest, I think, in the history of the country. In reference to Canada, hon. gentlemen are, I suppose, as well acquainted with the condition of the country as myself, and it would not be news to them to state that throughout Canada there has been a fairly average, or more than an average condition of trade, during the past year; that although the harvest was not of the best, it was compensated for its deficiency in quantity, in some parts, by a larger growth in others, and over the country generally by an increased scale of prices. The manufacturing industries are fairly prosperous, the textile industries especially, the large stocks which were held, as was the case in Great Britain and the case in the United States, having been worked off, the mills are now running on low stocks, with orders in advance, which is a far more healthy state of things than having large stocks on hand. I find that in Great Britain and the United States, and in Canada as well, there is an advance in prices, and there is an indication, in addition to an advance in prices, of a significant addition in wages in the large industries of the country. It would not be well for us to do otherwise than to note in our own country what is of so much importance to the shipping, especially of the Maritime Provinces, the large increase of freights which has taken place and which has made that industry, which, as far as the carrying trade is concerned, has not been very prosperous for the last number of years, look very encouraging, and bring in good returns to the owners of vessels. With reference to our foreign trade, the total in value was, in exports, \$90,203,000, and the imports were \$110,894,630, an increase in the exports of \$687,189, and a decrease in the imports of \$1,997,606; being a total decrease in the trade of \$1,310,417. Our exports, I find, increased to the United States, France, Portugal, the West Indies, South America, China and Japan, Australia and other countries; and they decreased with respect to Great Britain, Germany, Spain, Italy, Holland, Belgium, Newfoundland and Switzerland, the decreases being small, with the exception of Great Britain, and the decrease in trade with Great Britain being largely due to the smaller shipments of cereals and cattle for which the causes are apparent to the country. I find the exports last year were the highest, with the exception of those of 1881, 1882, 1883 and 1884. The imports were the highest since Confederation, with the exception of 1883, 1884, 1887, 1872, 1873, 1874, 1875. The balance of trade is less against the country than in the preceding year, the percentage this year being 18.6 excess of total imports over total exports as against 20.7 last year, and against an average of 20.4 for the last six years. I am not going to

discuss the oft-discussed question of the balance of trade which has been well threshed out in this country, and which I suppose is well understood by both sides of the House. But, Sir, I wish to say a word with reference to what I consider to be a very important point in comparisons, and in order to introduce it, I will read an extract from a speech which I think was delivered by my hon. friend opposite (Sir Richard Cartwright) at Oakville, on August 13th, 1888, and the extract I have taken is from the report in the *Globe*. The speaker said:

"How is it that we find that while in 1873 the total volume of the trade of the Dominion was \$217,000,000 in value, yet in 1887, after eight or nine hundred thousand people had been added to the population in spite of exodus and misgovernment, instead of increasing, the volume has fallen off and sunk to about \$200,000,000? How is it that we find that whereas fifteen years ago we had a total trade amounting to \$58 per head, we have now, taking the figures of our opponents, a total of but \$42 per head."

Sir, I think that the hon. gentleman need not have gone further than his own intelligence, and his own knowledge of commercial affairs, to have given the question a satisfactory answer. I wish to refer to it here, because I consider it is a comparison which is not strictly fair, and that other facts ought to be brought out in the statement of comparative trade, as shown by our returns, comparing 1873 with 1887, for we find, on looking into the values of goods in this country, in the United States, in Great Britain, and the world over, that 1873 was the highest year for values in a series of years from 1868, I might go further back, down to 1887, and that the lowest series of values was reached in 1887-88. There are two ways by which you can compare the trade of the country. You can compare it by its value, and by its volume. Our returns simply compare by value, and not by volume; and if, for instance, wheat falls 50 per cent. one year as compared with another, this country might export twice the quantity at the time of the lowest value, yet, according to the trade return, the exports would be no greater, and the idea conveyed would be that there was no greater production, and that no greater results came from the increased production of this country throughout. I have here a statement which has been prepared for a number of years, and brought up to date by Mr. Griffin, Secretary of the Board of Trade of England, giving the values of enumerated articles of export and imports for 1873, and from that year up. The *modus operandi* of getting at these returns is simply this: Mr. Griffin goes to the custom houses and obtains the declared value of goods as entered at the custom houses, and he then deduces therefrom the rate value. Having got the rate value in 1873, he applies that to the year with which he compares 1873, and he thus obtains a fair comparison of the volume of trade upon equal rates as between the different years. Looking at the matter in that light, we find that the total exports from Great Britain, according to the declared values, were, in 1879, \$363,000,000; 1883, \$427,000,000; 1884, \$380,390,000; 1885, \$371,000,000; 1886, \$350,000,000. Those are at the declared values; but if we take the values at the rates of 1873 and compare them, we find, for instance, that whereas the declared value of the exports of Great Britain for 1886 was \$350,000,000, its value calculated by the prices of 1873 was \$509,000,000. That is to say, that, instead of the trade being but \$350,000,000 in 1886, if the prices had been equal to the prices of 1873 it would have shown \$509,000,000, or more than 50 per cent. increase in the volume of trade as compared between 1873 and 1886. If you take the imports in like manner, the declared value of imports in 1886 was \$212,000,000; the value of the imports at the rate of 1873 was \$349,000,000. So, in the case of exports they were 45 per cent. higher at the rate of 1873, and the imports 64 per cent. higher, as will be seen by the following figures:—