

we exported, with an aggregate export of \$189,000,000 in those three years, but in 1892 with a vastly increased population, with a greater diversity of facilities through the Canadian Pacific Railway and the development of our canals, we are only able to import 20 millions of dollars more than we exported, and in 1891 we imported 28 millions of dollars more than we exported. Now, it is one of the principles of trade between nations that their trade is carried on by means of barter. There is no such thing as money passes between one nation and another. If we export, it is paid for by imports, if we import it of necessity calls for the production of labour from some source from the importing country to pay for it by exports, and the evidence of that can be seen by studying the statistics, seeing how much bullion we export, and how much we import, and which is only imported or exported in order to rectify the small balance that exists between the exporting and importing power. When we borrow money in England that money comes out to us in the shape of commodities. We floated a loan in England this year I do not know whether it was ten or twelve and a half millions of dollars. The money that loan represents comes out to Canada in the shape of commodities, and swells our imports. Last year, through the Canadian Pacific Railway Company and the Government of Canada, we have increased the liability of the country by twenty-five millions of dollars by the sale of their stock and the sale of Canadian bonds. The value of that money will come out to us or whatever portion of it comes to Canada, will come in the shape of commodities, and should swell our imports to that extent. It does not come out in sovereigns, specie, or bullion. It comes out in material—it comes out in kind. Now, notwithstanding that we borrowed to that extent to the amount of twenty-five millions of dollars, while in 1873, 1872 and 1871, three years when we borrowed very little money indeed, the imports exceeded the exports by fifty-four millions of dollars, forty-six millions of dollars and thirty-two millions of dollars, respectively. We have to inquire how it is that those imports do not keep pace with our exports as they should do, in order to indicate the prosperity of the people. What is the reason of that? Well, the only reason that I have to give is the fact that the liabilities of the country have grown to that extent

that the exports of the country are absorbed in order to pay the interest that we have to remit abroad to meet the interest on those liabilities, and that in consequence of the taxes, or, perhaps, I should say, the mode of taxation, the profits or the purchasing power of the people is reduced. There are the net earnings of eight millions of dollars for the Canadian Pacific Railway Company. There are nine millions of dollars a year interest to be remitted by the Canadian Government, and there is the interest on real estate loans which amounts to one hundred and six millions of dollars, the interest on which at five or six per cent will be five or six million dollars a year. These large items which can be supplemented by other items, such as municipal and other loans swell the amount to twenty-three millions of dollars a year. It is the necessity which rests on the people of Canada to remit that twenty-three millions of dollars every year, that changes the features of the imports and exports in the manner I have indicated. Now, if the country was prosperous—if we did not borrow money in order to develop its resources—which was the object we had in borrowing that money, and I for one do not find fault with the Government for borrowing that money or investing it in the manner they have done to give it to the Canadian Pacific Railway or to the public works and canals that are essential to our development and prosperity—I say they have acted wisely in bringing to completion those great works which stand to the credit of the country, but I do say when the money has been borrowed and those facilities have been afforded to us, the prosperity of the country can only be gauged by what we can export to the outside world and import from it over and above supplying our own necessities, and when we do borrow money in order to do that, we should be able to make a better showing than is now done. If a man borrows two thousand dollars on his farm, he does not borrow it for the purpose of merely spending that money or the pleasure of paying interest at five per cent or seven per cent as the case may be to somebody who lends it him, but he borrows it for the purpose of increasing the productive power of that farm. He hopes to be able to pay five or six per cent to the man who lends and make five or six per cent in addition on the transaction. The statistics handed to us do