

The products of the forests, of the mines and of the fisheries, and the volume of banking and insurance business have shown the following great increase in values under the National Policy:—

Forest Production

Year.	Log Products & Wood Pulp.
1881	\$39,540,570
1891	55,266,368
1901	55,051,865
1906	72,878,051
1911	114,713,655
1915	79,767,938
1919	140,381,534

Mineral Production

Year.	
1889	\$14,013,113
1899	49,234,005
1909	91,831,441
1917	189,646,821
1918	211,301,897
1919	*173,075,913

*Subject to revision.

Fishery Production

Fiscal Year.	
1879	\$13,529,254
1889	17,655,254
1899	21,891,706
1909	29,629,169
*1917	52,312,044
*1918	60,243,429

*Calendar Year.

Chartered Banks

Year.	Paid-up Capital & Reserve.
1888	79,218,565
1898	91,197,340
1908	170,885,203
1918	225,508,222
1919	243,912,111

Total Bank Deposits by the

Year.	Public in Canada.
1878	\$71,900,195
1888	128,725,529
1898	248,752,085
1908	639,899,365
1918	1,669,597,617
1919	1,841,478,895

Amount of Life Insurance Policies in Force

Year, Dec. 31st.	Amount.
1878	\$84,751,937
1888	211,761,583
1898	368,523,985
1908	719,513,913
1918	1,785,061,273
1919 (unrevised)	2,187,833,396

Amount of Fire Insurance Policies in Force

Year, Dec. 31st.	Amount.
1878	\$409,899,701
1888	650,735,059
1898	895,394,107
1908	1,700,708,263
1918	4,523,514,841
1919 (unrevised)	4,904,396,461

Since 1878 the composition of our population has changed. Then the great majority of the people were engaged in farming, lumbering and fishing. There was

comparatively little business activity, and those who could not be employed in the above industries were forced to emigrate, with the result that some millions of Canadians are living in the United States to-day who would never have left Canada if opportunities for employment had been available. After 1878 the industrial system of Canada began to develop, until to-day it directly supports 2,000,000 Canadians, and, in addition, yields indirect opportunities to several millions more.

Transportation

In 1879, the year after the adoption of the National Policy, there were only 6,484 miles of steam railways in Canada. A glance at the following table will show a great increase in the mileage, in the amount of freight carried, and gross earnings:—

	1879.	1889.
Miles in operation	6,484	12,628
Tons of freight	8,348,310	17,928,626
Gross earnings	\$19,925,066	\$42,149,615

	1899.	1909.	1919.
Miles in operation	17,141	24,104	38,896
Tons of freight	31,211,753	66,842,258	116,699,572
Gross earnings	\$62,243,784	\$145,056,336	\$382,976,901

As might have been expected, the colonization of Canada moved from east to west, and one of the most active agents of colonization was the railway. The transcontinental roads were the links which connected the various provinces, and has since held them together. Our entire transportation system has been constructed on the east and west principle; first to develop and serve new territories, and second, as a link in the Imperial chain which binds together the various countries of the British Empire.

The railways opposed the reciprocity agreement of 1911 with the United States on the ground that such an agreement would build up north and south traffic at the expense of east and west traffic, and would depreciate the value of the huge investments in our transportation systems.

Some of the greatest men in Canada have been intimately connected with transportation, especially with railway building. If they believed that free trade between the United States and Canada would increase the prosperity of their railways, surely they would advocate it. The fact that they oppose it, shows that they consider that the transportation systems of Canada would suffer accordingly as the Customs Tariff is lowered.

This is even a more important question than it was in 1911, because the Government now owns two out of the three transcontinental railways, and will have to pay deficits out of general taxation.

The organization of the Canadian Government Merchant Marine marks a new period in the history of the country's development. The first vessel was commenced in May, 1919, and by the end of the year, twenty-two ships ordered by the Government were completed. It is expected that by the end of 1920, sixty ships will be in commission. These ships were built in Canadian shipyards, largely from Canadian material, and by Canadian