

and hardship which are found in many countries outside of Canada. While the internal trade and the condition of the country has been thus fairly satisfactory, there has been something done as well towards the realisation of the hopes which have been entertained for a number of years, and which were placed in a permanent way of being fulfilled last year, by means of the generosity of this House, which granted a sum of money towards the establishment of swift communications between Canada and other important sections of the world. Since last year a contract for building the Canadian Pacific vessels which are to ply between Vancouver and Victoria and China and Japan has been let, and within a year we shall see some of the best equipped and swiftest vessels making their regular voyages between our country and those far regions of the East, between which there will spring up, I believe, a very large and a very profitable trade. The Atlantic fast service has not materialised, but the failure has not been due to any fault of the Government. A contract was entered into which it was supposed would have had the result of placing a satisfactory line of steamships on the ocean between our ports and those of Great Britain and France, but various causes which are well known to hon. members—the great rise in prices of ship-building, stimulated as they were by the rise in freights and by the operations of the British Government as well—rendered the fulfilment of that contract impossible, and also made it impracticable, for a little time at least, to go into the market and supplement the effort which had failed to bring about the result we supposed it would. The West India trade, for which a sum of money was granted last year, has been inaugurated, and we have now three direct lines, with monthly sailings, between the ports of the Maritime Provinces and different ports of the West Indies and South America. The two which ply between Halifax, Jamaica and Cuba, respectively, are routes which have been heretofore tried; the one which plies between the ports of St. John and Demerara, in connection with the West India Islands, is a new venture, and I am happy to be able to state to the House that, notwithstanding the newness of the enterprise, the numerous ports which have to be called at, and the expensive nature of these as ports of call, the pioneer sailings have been eminently successful, and the interest which has been awakened in the West India Islands, and more especially in our own country, leads us to believe that these lines will develop a large and growing trade between our country and that section of the southern country to which we must look largely as an outlet for our products in the future. Taken all in all, we have passed a

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year in Canada in which want has been practically unknown, in which labor has been well employed, and has found good remuneration, in which peace and order have abounded in all our borders, and out of which the 5,000,000 people, who have enjoyed the blessings of prosperity and peace in their homes look for the advent of other years, the successors of the past, equally prosperous and equally happy. Coming now more particularly to the first part of my duty, which is to lay before the House a statement of the proceedings of the year 1888-89, I may say that the estimates of revenue compare with the receipts as follows:—

REVENUE, 1888-89.

	Estimate.	Actual Receipts.	Difference.
Customs . . .	\$23,533,971	=\$23,726,783	+ \$ 192,812
Excise	7,068,143	= 6,886,738	- 181,405
Miscellaneous	7,999,180	= 8,169,349	+ 170,169
Totals	\$38,601,294	=\$38,782,870	+ \$181,576

This is satisfactory, not only as regards the closeness of the estimate to the amount which was realised, but also as regards the sum total which was realised as the revenue of the past year. Comparing 1888-89 with 1887-88, the results are most satisfactory. The Customs show an increase over the preceding year of \$1,620,857, or $7\frac{1}{3}$ per cent.; Excise, an increase of \$815,252, or $13\frac{2}{3}$ per cent.; and Miscellaneous shows an increase of \$438,299, or $5\frac{2}{3}$ per cent.—and the total increase was \$2,874,408, or an increase of 8 per cent. over the revenue realised in 1887-88. If we take the revenues derived in 1880-81 and compare them with those of last year, we will find that the increase in Customs and Excise has been 28 per cent., and the increase in Miscellaneous $43\frac{1}{2}$ per cent., and when we consider that this last is made up of investments and earnings, it is satisfactory to find that the larger increase is in that particular line of our revenues. The figures are as follows:—

	Customs and Excise.	Miscellaneous.	Total.
1880-81	\$23,942,138	\$5,693,158	\$29,635,297
1888-89	30,613,522	8,169,347	38,782,870
Increase	\$6,671,384	\$2,476,189	\$9,147,573
	28 p.c.	43½ p.c.	or 31 p.c.

The following are the principal items from which increased Customs duties were received last year, as compared with the year 1887-88:—

Animals	\$ 10,044
Arrowroot, biscuits, &c.	15,218
Grain of all kinds	50,510
Flour and meal	106,015
Carriages	56,706
Carpets, N. E. S.	8,426
Coal and coke	14,912
Cotton manufactures	6,906