

portion to population the trade of the Dominion is considerably in advance of that of the United States, as shown by the following statement:—

FOREIGN TRADE OF CANADA AND THE UNITED STATES, 1886,  
PER CAPITA.

COUNTRY.	Imports.	Exports.	Total Trade.
	\$ cts.	\$ cts.	\$ cts.
Canada .....	21 78	17 78	39 57
United States .....	10 84	11 59	22 43
Excess per head in favour of Canada .....	10 94	6 19	17 14

trade compared.

250. Excepting the year 1880, when there was a slight excess of exports, the imports have exceeded the exports in every year since Confederation, the excess in the year under review having been \$19,173,247. The average annual excess of imports during the whole period has been \$20,048,054, the excess therefore in 1886 was \$874,807 below the average.

Excess of imports.

251. It is now frequently contended that it is not to be necessarily inferred from the mere fact of the imports of a country being in excess of its exports, that therefore that country is buying more than it is selling, and must therefore be drawing on its capital to pay the difference. An excess of imports in the aggregate trade of the world, says Mr. Giffen, is a permanent fact, and, according to his figures, the imports of the world from 1867 to 1879 amounted to 14 per cent. more than the exports.

Excess of imports is general.

252. The imports into the United Kingdom have for a great number of years been very largely in excess of the exports; according to Mulhall, the excess in the twenty years (1861-1880) amounted to no less a sum than 7,540 million dollars; yet in spite of this, the wealth of Great Britain has been steadily increasing, a fact entirely inconsistent with the argument that the country had been living beyond its means.

Excess of imports into United Kingdom.