

380. The older provinces of the east have reduced their output by 7,151,438 bushels ; the western provinces have increased their crop by 9,794,510 bushels. The only province of the east which shows an increase in the harvest of 1890, as compared with that of 1880, is Prince Edward Island, with an increase of 66,378 bushels.

381. Year by year the acreage devoted to wheat has increased with the growth of population and the development of Manitoba and the North-west Territories, and notwithstanding the decrease of the wheat crop in the provinces east of Manitoba, that decrease has been more than offset by the increase in the west. The surplus available for export has increased. While this has been the case both in Canada and the United States, other countries have been sowing wheat for export. All this surplus has been poured into the European market from the wheat-exporting countries of the world, with the result of reducing the price of the grain lower and lower. Instead of having to compete only with Russia and the United States, the Canadian wheat-grower has now to compete with India, Australia and the Argentine Republic in addition. As the price of the surplus fixes the price of the whole crop, and this price is established in Liverpool, the average yearly price of wheat in England shows the downward movement.

382. In 1880 India began that regular export of wheat to England which has continued ever since. In that year she sent less than 500,000 bushels. The average price of wheat in England in that year was \$1.34 per bushel. In 1884 it was \$1.08 ; in 1885, 99 $\frac{3}{4}$ cents ; and in the following years it was :—1886, 94 cents ; 1887, 98 cents ; 1888, 96 cents ; 1889, 90 cents, and in 1890, 95 cents. In 1891, under the effects of the Russian famine, it rose to \$1.11. In 1892 it fell to 91 cents. In 1893 the average reached the lowest point during this century, viz., 78 cents.

383. Corresponding with this decline in value in Great Britain the price in the United States fell, and in 1892 it was 63.2 cents, or 27.8 cents under the English price. In 1893 it was 54.9, the lowest price on record.

384. Since 1860, when India made its first impression on the English market, Australia has entered the ranks of wheat-exporting countries with about 10,000,000 bushels yearly. India has increased her 500,000 bushels to an average of 30,000,000 bushels