

426. Taking all these articles the net exportable surplus in 1894 in the United States was \$335,600,000.

The total value of the imports from Canada in the whole period of the Reciprocity Treaty was \$247,095,709, which is about 88½ million dollars less than the exportable surplus of the one year 1894. It is evident, therefore, that great changes have taken place since the period of the Reciprocity Treaty, and that the exportable surplus of the United States in these articles is so large that free trade in them would send them into Canada, as offering the line of least resistance.

427. The better to analyze these changes, the articles given in the table may be grouped :—

1. Articles of which the United States now produce such a large exportable surplus that the restoration of the conditions of the Reciprocity Treaty would open the Canadian market to the United States rather than the United States market to Canada.

2. Articles in which there would be an exchange because of convenience.

3. Articles in which the likelihood is that Canada, under present conditions, would find a good market, without exchange, of the same articles.

428. In the first group are wheat, wheat-flour and other grains and products of grains, &c.

TABLE 1.

WHEAT, WHEAT-FLOUR, OATS, OATMEAL AND ALL OTHER BREAD-STUFFS.

| Yearly average imported from Canada by United States during Reciprocity Treaty. | Yearly average exported by United States to all countries during Reciprocity Treaty. | Value of net exports during year 1894. |
|---------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|----------------------------------------|
| \$ 9,628,472 | \$ 42,350,077 | \$ 165,579,522 |