of the 74 years between 1689 and 1763-led to a necessary relaxation of restrictions. On the occasion of the English capture of a convoy in 1705, the colonists were driven to manufacture rough cloth out of whatever fibres they could obtain, such as the Canadian nettle and the inner bark of the basswood. Such events led to the introduction of sheep-raising and the manufacture of homespun woollens. The number of sheep in the colony increased from 1,820 in 1706 to 12,175 in 1720, 28,022 in 1765, 84,696 in 1784 and 829,122 in Lower Canada alone in 1827. This increase in sheep approximately measures the growth of the manufacture of homespun woollens, while in 1827, according to census records, there were in Lower Canada 13,243 spinning-wheels, and 1,153,673 French ells of home-made cloth, 808,240 French ells of home-made flannel, and 1,058,696 French ells of home-made linen were produced. In 1842 Upper Canada produced 433,527 yards of homemade cloth, 166,881 yards of home-made linen and 727,286 yards of home-made flannel, and in 1848, 624,971 yards of fulled cloth, 71,715 yards linen and 1,298,172 yards flannel. Nova Scotia in 1851 produced 119,698 yards fulled cloth, 790,104 yards non-fulled cloth, and 219,352 yards flannel. Such production of homespun goods did not materially interfere with the market for the more elaborate factorymade goods imported from the United Kingdom, but supplied the numerous daughters in the large families of the pioneers with useful work in their own homes.

In the days when ships were built of wood, a country where wood was so plentiful as in Canada possessed the raw materials for production. Pont-Gravé built two small vessels at Port Royal in 1606 and one at Tadoussac in 1608. Talon in 1666 built on his private account a ship of 120 tons, and in 1672 a vessel of 400 to 500 tons was on the stocks at Quebec. Ships were built for the French navy and 'or the West India trade. Under the British *régime* shipbuilding was conducted on a large scale in Quebec and New Brunswick, the industry reaching its climax of prosperity about 1865, when 105 Quebec-built ships with a tonnage of 59,333 tons were placed on the register. Thereafter iron and steel ships gradually supplanted the wooden vessels, but the forests of Canada have since provided the raw material for the great pulp and paper industry.

The development of mines has been of comparatively recent date. Iron deposits in the St. Maurice region were worked as early as 1733 and furnaces set up there for smelting in 1737 were in fairly constant operation until 1883. The iron and steel used in manufacturing in Canada, as well as the coal which has supplied the manufacturing industries with power, has in the main been imported from the United States, chiefly because the principal manufacturing centres of the country in the St. Lawrence and Great Lakes region were fairly conveniently situated with regard to the coal and iron supplies of the United States, and far away from the coal and iron supplies of the Maritime Provinces. In recent years the shortage of coal is made up for by the increasing use of electric power, and the great bulk of the pig-iron used in Canadian manufactures is now made in domestic blast-furnaces.

The Introduction of the Factory System.—In Canada, as in the United States and in Great Britain, it was inevitable that manufactures, carried on in the household or in small adjoining work shops, should be supplanted in the leading industries of the country by manufactures carried on in factories. A factory has been defined as "an establishment where several workmen are collected for the purpose of obtaining greater and cheaper conveniences for labour than they could procure individually at their homes, for producing results by their combined efforts which they could not accomplish separately, and for preventing the loss occasioned by carrying articles from place to place during several processes necessary to complete their manufacture." Such factories began to exist in Canada in the sixties and the