

8
12/1/33
D 20300

-13-

not each year naturally increase in spring so as to make clear any present increase is due to seasonal trends, not the agreements. Also make clear that fair comparison of Empire trade would be with conditions of Empire trade as they were prior to changes in Empire tariffs by present government. Point out that had our trade in December, 1932, and each month in 1933 up to present been what it was in corresponding months of 1930, before present government made changes in tariff, then there would be a fair comparison.)

In estimating volume of Empire trade an accurate estimate involves comparison with total trade. It is trade with all countries that determines prosperity of country. If an increase of Empire trade is at expense of total trade, then Empire trade is bought at too dear a price. The figures with respect to total trade, apart from British Empire, give reason for grave concern as to extent as to extent to which Canada's trade as a whole has diminished due to customs duties imposed.

Another fact that must be brought out very clearly with respect to present trade figures with Britain is that they are computed on entirely different basis from those of former years. The Department of National Revenue in making up its figures today computes them on the basis of the pound as at par, whereas as is well known, the actual rates has been very considerably below par. To be accurate, National Revenue figures should be