

# Winter Sports at the City of Quebec



Ski-ing and Snow-Shoeing by all ages



A Dog Train—This photograph was taken during a visit of Lady Minto who is seated in the sleigh.

## BRITISH TRADE IN CANADA

CANADA has been "looked over" by a number of people in the past few years. None of these has studied our trade conditions with greater care and thoroughness than Mr. Richard Grigg, a special commissioner sent out from London by the Board of Trade, a department of the British Government. Mr. Grigg's report has just been issued and is an interesting volume. It may be had from Eyre & Spottiswoode, King's Printers, for the sum of one shilling and five pence.

Mr. Grigg concerns himself mainly with our foreign trade and its distribution among the countries which sell to us. He finds that British sales to this country reached their lowest point in 1895-6-7, when they fell to an average of thirty-one million dollars a year. In 1898-9-1900, the average rose to nearly thirty-eight millions, in 1901-2-3 to fifty millions, and in 1904-5-6 to sixty-three and three-quarter millions a year. Viewed by itself this increase of one hundred per cent. is satisfactory. However, he finds that during the same number of years the sales of United States goods increased from an average of fifty-three millions a year to an average of one hundred and fifty-four millions, or an increase of nearly two hundred per cent. Viewed in this way, British sales have grown only one-half as fast as United States sales. The item of "natural products" explains to some extent the size of United States sales to Canada, but even deducting these, United States trade is seen to be more than holding its own.

Mr. Grigg is apparently pleased with the great decline in German sales to Canada, due to the imposition of the surtax of one-third imposed in 1903. He views the growth of French sales with equanimity and is prepared to see them increase under the new convention. He warns the Board of Trade that

should Germany consent to a similar convention and get the advantages of the Canadian Intermediate Tariff, "such action will be fraught with undoubtedly serious consequences to British trade." He repeats this warning on another page and with this ringing in their ears, the British Government cannot be expected to assist Germany's ambition to get back into the Canadian market if such ambition exists.

Mr. Grigg is well aware of the extent to which United States manufacturers are invading Canada. They have a direct or indirect interest in many Canadian concerns. They have also many branch factories. A bank manager estimates that in the city of Montreal alone, twenty-five millions of United States capital has been invested during the past five years. The Illinois Manufacturers' Association reports that 122 of the leading concerns in the United States have established branch plants in Canada. Mr. Grigg states that he has a list of 36 manufacturing firms in Hamilton alone in which the capital is mainly from the United States. He is very anxious to see the British manufacturer take up the same policy of branch factories in Canada because it would gratify Canadians, enlarge sales and give manufacturers a more intimate acquaintance with the market. Partially finished materials could be sent over here and the work completed in Canadian factories. Most Canadians will agree that this is sound advice.

Mr. Grigg makes two summaries of his suggestions and the briefest of these is quoted in full:

"(1) The geographical position of Canada, and its contiguity to the United States, give American trade very great advantages, and impose correspondingly severe handicaps upon British trade.

"(2) The preference enjoyed by the United Kingdom, both in good will and in tariff treatment,

is helpful in neutralising to some extent the geographical advantages which the United States enjoy, but is insufficient of itself to do more than check the decline in the United Kingdom's share of Canadian trade. The preference gives substantial aid to the United Kingdom in competition with European countries, but may be diminished at any time through the adoption of the newly established Intermediate Tariff.

"(3) Both British and American trade in Canada have to encounter the growing rivalry of Canadian industries, which, however, offer great opportunities (hitherto comparatively little used) for the investment of British capital.

"(4) Much could be done to promote British trade with the Dominion by—

"(a) The promotion of rapid and cheap transit and communication between the United Kingdom and Canada;

"(b) More careful study of Canadian conditions by British traders;

"(c) Improvement in the representation of British merchants and manufacturers in Canada;

"(d) Greater adaptability and exactness in meeting the wishes of Canadian buyers;

"(e) The adoption of Canadian standards, weights and measures and currency, for specifications and price quotations;

"(f) Better advertising and catalogues and cheaper postage rates;

"(g) More elasticity in terms of credit (rendered possible by fuller knowledge of local circumstances).

"(5) It is highly desirable to promote mutual knowledge of commercial and industrial conditions by a system of British commercial correspondents in Canada, and the wider distribution of commercial and trade reports, both official and other."