

TRADE OF CANADA COMPARED

With That of Australia—Statistics of Imports and Exports.

An interesting comparison of the trade of Canada and Australia is made by Mr. D. H. Ross, the Canadian Trade Commissioner at Melbourne. Taking the Canadian figures for the fiscal year ended March 31, and the Australian figures for the year ended December 31, the imports, exports and total trade of the Dominion and the Commonwealth in 1911 and 1912 are shown, for comparative purposes, in the appended schedule:—

	Imports.	Exports.	Total Trade.
1911—Canada	\$472,247,540	\$297,196,365	\$769,443,905
1911—Australia	325,461,991	386,283,773	711,745,764
1912—Canada	559,320,544	315,317,250	874,637,794
1912—Australia	379,557,801	383,136,787	762,694,588

The total trade of Canada in 1912 showed an expansion of \$105,192,889 over 1911, while in the same period the trade of Australia increased by \$50,948,824.

Increased Imports of Oversea Goods

Coincident with the progress made in recent years by manufacturing industries in Australia, says Mr. Ross, and the great expansion in the value of their output, has been the increased imports of overseas goods. With bounteous years of production and remunerative prices obtained for practically all the principal products shipped abroad, the import figures reflect the increased spending power of the people. The marked growth in the imports and the contraction in exports in 1912 is, however, viewed with some apprehension. There are already indications that the 1913 importations will be on a restricted scale and also that the exports will be considerably less in value than in the preceding three years.

The following comparison of imports, exports and excess of exports for the past ten years is of special interest:—

Year.	Total Imports.	Total Exports.	Increase of Exports.
1903	£37,811,471	£48,250,112	£10,438,641
1904	37,020,842	57,485,915	20,465,073
1905	38,346,731	56,841,035	18,494,304
1906	44,744,912	69,737,763	24,992,851
1907	51,809,033	72,824,247	21,015,214
1908	49,799,273	64,311,058	14,511,785
1909	51,171,896	65,318,836	14,146,940
1910	60,014,351	74,491,150	14,476,799
1911	66,967,488	79,482,258	12,514,770
1912	78,098,313	78,834,730	736,417

Trade Prospects This Year

The overseas trade of the Commonwealth constituted record figures. The record was attributable to the phenomenal increase in the value of the imports. Through various causes, chiefly decreased production on account of unfavorable climatic conditions, the trading outlook is not generally considered to be satisfactory. It is anticipated that the decrease in exports in 1912 will be followed by a further decrease in 1913.

While the customs revenue for the first seven months of the fiscal year ended January 31, 1912, was £9,252,441 against £8,434,005 for the previous period, and gave net increase of £818,436, yet January was the first month showing a decrease (£113,487). The Treasury Department looks for the remaining five months of the financial year to continue to show a shrinkage. The stringent financial conditions in Australia show no abatement, and while importers are unable to obtain their accustomed financial accommodation it is bound to be reflected by a curtailment in the volume of orders being placed overseas. Despite the adverse outlook, trade throughout Australia continues upon a sound basis and if generous rains are experienced in 1913 the recuperative powers of the country should speedily allay existing anxieties.

VOCABULARY OF FINANCE.

Finance has a vocabulary of its own, and to the uninitiated many of the terms frequently used are a mystery, and even those whose business compels them to use the jargon and phrases could not clearly elucidate the meaning of them if required to do so. In a recent investigation two thousand business and personal letters were examined by a learned doctor. Only 2,001 separate words were discovered in the 24,000 tabulated words used in the letters, and 751 of these appeared but once; in fact, 43 words occurred so frequently as to make up half the total number. This shows how limited is the use of words. To those interested in banking, money, credit, stocks, bonds, commercial paper, securities, etc., such a state of affairs is unnecessary. For Smith's Financial Dictionary supplies a medium for an increased vocabulary, an increased practical knowledge of finance and its phraseology in all its varied ramifications. It is simply arranged, but comprehensive in scope, and indispensable for everyday usage.

Smith's Financial Dictionary. Howard Irving Smith; \$2. Moody's Magazine Company, New York.

CAPITAL INVESTMENTS IN LATIN AMERICA

From British Sources Were More Than \$1,000,000,000 in Six Years.

(Specially contributed by Mr. P. Tamayo, Mexican consul, Toronto).

There is a strong prejudice, among some people, against Mexico and all Latin-American countries, which is the consequence of news of war or any disturbances there given out by the press, being frequently exaggerated. The press has so many items to handle that it is only the most sensational happenings in those far distant countries that their correspondents furnish them news for the Canadian public.

There is some information, however, which is of great importance for the Canadian business man, as are some facts which will convey the knowledge of the financial standing of the country where he has already made important investments, or may have an opening for same.

Mexico has earned so great a confidence for the investment of foreign capital, that even for the last period, during which it was existing under abnormal conditions, the influx of foreign capital did not seem to be affected.

Latin America Attracts Capital.

The following are the figures given by a well known English paper in regard to the investments of British capital in Latin-American countries for the last six years ending in 1912, which show results as follows:—

Argentina	\$498,991,095
Brazil	336,382,935
Mexico	141,299,195
Chile	124,389,265
Cuba	72,244,445
Peru	34,498,455

As it may be noticed, Mexico held third place for those six years.

Decreases are Shown.

Comparing the investments made during 1912 with those of 1911, we find that there was a deficit in 1912, but this fact, however, may not be taken as very significant in that which concerns to Mexico because, as it may be seen from the figures given below, Mexico was not the only one where a decrease of British capital took place, and its deficit was smaller by far than that of some other countries. The record for those two years shows these results:—

	1911	1912
Mexico	\$16,519,615	\$14,092,375
Brazil	96,569,105	66,714,360
Chile	41,353,560	14,059,975
Cuba	31,658,160	4,212,500
Peru	9,984,655	500,000

NOVA SCOTIA STEEL AND COAL COMPANY.

The profits of the Nova Scotia Steel and Coal Company for the year ended December 31st, 1912, were largely reduced as a result of the continued dumping of United States iron and steel products for the greater part of the year. This affected seriously the price of iron and steel in Canada.

The profits for the year were \$1,000,609, as compared with \$1,019,392 for 1911. The balance to the credit of the profit and loss account on December 31, 1911, was \$508,544, which, with the profits of the year, make a total of \$1,509,154. The sinking fund payment for the year, \$26,105, was used in retiring the bonds of the company, the sum of \$92,196 was added to the reserve funds, and the sum of \$61,009 expended for improvement and betterments to plant was written off.

The sum of \$10,032 was added to the insurance reserve. After providing for the above transfers and payment of interest on bonds and debenture stock, dividends and other charges as shown by the accounts, the sum of \$452,600.21 remains to the credit of the profit and loss account. The amount expended during the year on capital account was \$1,279,569, which amount (less \$98,241, the original cost of the steamer Wobun, which has been sold, and small sales), have been added to the property and mines account.

The capacity and efficiency of the plant and work of the company have been increased by the expenditure during the past few years. With the increased revenue which the company expect to receive from the larger sale of ore, the higher prices being received for other products, and with the earnings from new plant installed during the past few years, much of which is only now becoming productive, the directors think that 1913 will give a considerable increase in earnings over any previous year. They have under consideration the opening of a new colliery at Sydney Mines and other improvements, and additions to plant and equipment at Wabana, to provide for large outputs of coal and ore. The funds necessary to meet the contemplated capital expenditure will be raised by a further issue of debenture stock. Dividends at the rate of 8 per cent. on the preferred and 6 per cent. on the common shares of the company for the year have been paid quarterly.

It will be interesting to see whether the dumping of United States products continues this year, as that is obviously a serious factor for the Canadian companies.