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Critics of our Trade

THE Minister of Finance has been telling the people that our foreign trade has been increasing by leaps and bounds, and has indicated that we should remember the present rulers in our prayers for that reason. There is no doubt a great deal of credit is due these gentlemen for their perspicacity in electing to rule Canada during a period of expanding trade. One cannot fail to admire their good judgment in this respect. In fact non-political persons like the writer are inclined to accept what Mr. Fielding says and to render thanks that Canada has so able a trade-director in office.

However, just as this pleasant state of mind is reached, the critics come along. The President of the Bank of Montreal gets up to say, in a manner befitting a Knight of the Imperial Realm, that he is not sure that this expansion of trade is proceeding along correct lines. He would have us believe that all is not gold that glitters, or words to that effect. He points out that between 1898 and 1902, Canada was exceedingly fortunate. Her trade increased fairly rapidly, and she bought only twenty-five million dollars' worth of goods more than she sold. To be prosperous there are two requirements: Your trade must increase and your sales and purchases must nearly balance. In that period, they nearly balanced. On the other hand, between 1902 and 1907, instead of buying twenty-five millions more than we sold, we bought three hundred millions more than we sold. Sir George does not like this showing.

Just as we have almost recovered from this douche of cold water, Mr. R. S. Lake, M. P. for Qu'Appelle, gets up in the House to say the same thing, but to put it even more broadly. He shows that Argentina's foreign trade has increased faster than Canada's. Between 1900 and 1905, Canada's trade increased twenty-three per cent., while Argentina's increased ninety-seven per cent. To make matters worse, according to Mr. Lake and Sir George Drummond, Argentina exports were 455 millions greater than her imports, while Canada's exports were 116 millions less than her imports. The relentless Prairie Member does not stop there. He quotes Mexican figures to show in ten years the trade of that republic increased 145 per cent. as against our 130 per cent., while the balance of trade has been in favour of Mexico and against Canada. Still unsatisfied, he states that Australia and Cape Colony have increased their trade faster than we have, while even Newfoundland and India are doing better than the Dominion. The only colony which is behind us in the race is New Zealand.

Still Mr. Lake is not satisfied. He claims that our trade is not increasing, a most astounding assertion. He states that our exports are actually falling off and only our imports are increasing. He reasons that imports are not trade except when they are balanced by exports and concludes that our trade is really at a standstill or going back. In the year ending August 30th, he states, our exports actually fell off two millions of dollars.

The thought occurs to one, that there may be something in what Sir George Drummond and Mr. Lake say. In fact, in the situation which they outline in such cruelly clear language, there may be an explanation of some of our present money-tightness. We may have over-bought. We wanted expensive silks, laces, tweeds, automobiles and all sorts of gold and silver ornamentations and we bought freely. While we were buying so freely of these, we were also bringing in railway engines, railway bridges, steel rails and all sorts of machinery for our mines and our factories. The thought grows on one, the

longer it is harboured. Perhaps this is a partial explanation of our situation.

There is another thought of greater importance. British and United States manufacturers are coming in here and bringing in machinery and capital. These increase our imports and they are permanent additions to our wealth. Then the immigrants who cross from the United States or arrive from Europe bring household goods and money. These are also permanent additions to our wealth. From these two sources, Canada's imports ought to be increased at least fifty million dollars a year. This is the feature which both Sir George Drummond and Mr. Lake overlooked. This form of imports is not trade; it is wealth coming in here for permanent investment. Surely Canada must rejoice in the excess of imports over exports, in so far as it is caused by this sort of immigration.

If this estimate of the situation be correct, there is no reason for sitting down and railing at Mr. Fielding or the Government for lulling us into false security. If our exports are falling off let us have a business revival. Our manufacturers must increase their foreign sales. They have been relying too much, perhaps, on the home

market. They must institute new campaigns to help swell the sales of Canadian goods abroad. The Government may help at one point; they can put an export duty on pulp wood and cause it to be exported as wood-pulp or paper. This will increase the value of our annual exports by several millions of dollars. Our lumber dealers must see what can be done to increase the value of the lumber products. Our exports of cheese, butter and cattle are not increasing; the dairyman and the cattle-dealer must do their part. The wheat-grower is doing very well and he will do his share if the weather man will but give him an opportunity. The transportation companies should do everything they can to facilitate exports by providing low rates and giving cheap passages to commercial travellers going abroad.

If Canada makes an effort she can speedily bring her exports up to the expanding point. Our factories can employ more workmen and ship more goods abroad. Our farms can be cultivated more thoroughly with more labour. This is not a period in which mechanics and labouring men should be discharged. Optimism should be the keynote, not pessimism. Moreover, this examination of the situation regarding imports should show that here also there need be no pessimism. Our excessive imports are to a considerable extent at least, caused by permanent investments coming in from abroad.

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A Worthy Governor

HIS Excellency, the Governor-General, is proving himself in cordial and democratic sympathy with all progressive movements in the country. The trophy competition, which was initiated last year, and which promises to attract companies of amateur musicians and dramatists from all over the Dominion to the Capital next February, is a proof of Earl Grey's interest in the growth of Canadian culture. His Excellency's recent speech at the opening of the Women's Canadian Club, Montreal, manifested a strong desire to interest the women of the country in the memorial to be established on the Plains of Abraham. No son of our own soil, whether of British or French origin, could have spoken more warmly and sympathetically on the subject of the great Quebec tercentenary. A few weeks ago, the Evangelia Home in Toronto where the young workers in the eastern part of the city find congenial classes and amusement was also visited by this vice-regal authority who has done much towards the success of such undertakings. Into every department of beneficial public activity Earl Grey has entered with an earnestness which far exceeds any perfunctory performance of officialdom.

JOIN THE BAND.

Do you believe in A Merry Christmas?

Then help to make it so.

Don't be a "Calamity Howler."

Don't go around saying business is bad and will likely be worse. Business is just what the people make it.

Duplicate the faith you had last year. The country hasn't changed, why should you?

Join the Little Band of Optimists who are trying to Banish Pessimism.