

the abolition of the duty on wheat, for which she is, with the United States, our largest foreign supplier.

Is it any wonder that the government of the United States, in a recent official pronouncement, quoted by the hon. member for Kootenay East (Mr. Stevens), concluded that:

One of the most important concessions is the removal of the duty on wheat which has been the equivalent to about six cents per bushel. This has tended to divert trade to Canada and Australia.

In his efforts to bolster up the trade returns so as to show an apparent improvement in our export trade, the Minister of Trade and Commerce issues from time to time statements of our exports which include the value of gold

bars which we deliver to the United States in payment of our debit trade balances with that country. In order that I may clearly state the issue in my comments I should like, Mr. Speaker, with the permission of the house, to place another short statement on the record which shows for the calendar years 1935, 1936, 1937 and 1938, the official returns of exports to the United States from Canada, and noted therewith for each year is the value of our exports of gold bars to the United States, which are included in these exports.

Mr. SPEAKER: With the consent of the house.

Mr. CAHAN: The statement is as follows:

Summary of Trade of Canada with the United States

Calendar years	Imports from United States	Domestic Exports to United States	Excess of Imports over Domestic exports
1935	\$312,416,604	\$358,569,736	
Exports of gold.. . . .	....	96,884,364	
Exports, excluding gold.. . . .	....	\$261,685,372	\$50,731,232
1936	\$369,141,513	\$406,664,567	
Exports of gold.. . . .	....	72,747,618	
Exports, excluding gold.. . . .	....	\$333,916,949	35,224,564
1937	\$490,504,978	\$470,181,046	
Exports of gold.. . . .	....	110,168,903	
Exports, excluding gold.. . . .	....	\$360,012,143	130,492,835
1938	\$424,754,993	\$345,911,915	
Exports of gold.. . . .	....	75,450,726	
Exports, excluding gold.. . . .	....	\$270,461,189	154,293,804
Total excess of Imports.. . . .			\$370,742,435

Our imports of commodities from the United States in the calendar year 1935 amounted to \$312,416,604. Our domestic exports to the United States for the same year are given by the minister as \$358,569,736, although in fact there is included in that amount of our exports, gold bars to the value of \$96,884,364, so that our export of domestic merchantable commodities to the United States was only \$261,685,372, showing a real excess of \$50,731,232 in our imports over our exports to the United States of merchantable commodities.

I see the Minister of Finance (Mr. Dunning) shakes his head. I defy him to find any inaccuracy in that statement.

Mr. DUNNING: It was very carefully worded.

Mr. CAHAN: I usually try to word my statements carefully and to be accurate.

For the calendar year 1936 the value of our imports from the United States was \$369,141,513, as officially given in the returns of the Department of Trade and Commerce, while our exports to the United States of domestic products are given by the minister as \$406,664,567, which includes gold bars to the value of \$72,747,618, leaving an export of domestic merchantable commodities of \$333,916,949, and showing a real trade deficit of \$35,224,564 on our year's trading with the United States.

Mr. DUNNING: Is gold not a merchantable commodity?

Mr. CAHAN: No, gold is not a merchantable commodity in the sense that iron or steel or wheat is. It was not until after this government came into office in 1935 that an attempt was made to bolster up the trade statistics to show in the official returns an