

conditions. We may deal first with the general trade of the country, then extend our survey to the underlying and conditional factors of production including labor conditions and prices, transportation, exchange, and finance, national and corporate.

As we have seen, Canadian imports, reckoned according to the fiscal year ending the 31st of March, culminated in a maximum of \$686,000,000, exclusive of coin and bullion, in 1912-13, or \$670,000,000 for domestic consumption. During the year of partial reaction preceding the war, imports not only ceased to expand but receded by over \$50,000,000, falling to \$618,500,000 for domestic consumption. During the following year, 1914-15, covering eight months of the war, they receded another \$163,000,000, dropping to \$455,000,000 for domestic consumption. During the year 1915-16, entirely under war conditions, owing to the immensely augmented expenditures of the government and the revival of manufacturing on a large and profitable scale, with the incidental benefit of a bountiful harvest, not only was the downward tendency of imports arrested but the tide was turned in an upward direction to the extent of over \$50,000,000, the total amounting to \$507,000,000 for domestic consumption.¹ The continuing tide of prosperity for the past year, 1916-17, has led to a still greater increase of imports. The preliminary returns for the fiscal year of 1916-17 show that the imports amounted to \$845,000,000 for domestic consumption and exclusive of coin and bullion.² This represents an increase over the year ended 1916 amounting to \$337,400,000, representing over 66 per cent; it also represents an increase of \$175,000,000 over the imports of the year 1912-13, which as we have seen was the previous high-water mark of importation. Of course, as we shall see, some allowance must be made for an increase in prices.

¹ Trade and Commerce Report for 1916, Part I, p. 7.

² Weekly Bulletin, Department of Trade and Commerce, May 7, 1917, p. 1116.