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PRINCIPAL CONTENTS.

CANADA'S ADVERSE BALANCE OF TRADE LARGELY A THING OF THE PAST.

During the past six months when Canada, in common with the world, was passing through a period of financial stringency, a great deal of emphasis was laid upon Canada's so-called adverse balance of trade. It was pointed out that this country presented one of the most dangerous fields in the world owing to the wonderful prosperity and expansion which had characterised her during the previous dozen years. There was a general belief expressed by Canada's critics that the pendulum would swing in the opposite direction and that this country would suffer severely from business depression. To substantiate their arguments, they pointed out the large excess of imports over exports and concluded therefrom that Canada had a heavy adverse balance of trade. It was pointed out that for the fiscal year 1912-13 our imports totalled $691,943,515, while our exports were but little more than half, amounting to $393,232,057.

Admitting the truth of the arguments that Canada had an adverse balance of trade, it is interesting to note that in the first six months of the fiscal year 1913-14, which ended 30th September last Canada's total trade amounted to $551,978,000 as compared with $596,265,000 for the corresponding six months of the previous year. The chief point to be emphasized, however was the relation of imports to exports. **For the six months just ended, our exports have been growing faster than our imports.** The exports for the six months of the present year amounted to $211,000,000 as compared with $178,000,000 for the corresponding period of 1912, or an increase of $33,000,000. During the same period, our imports only increased from $328,000,000 to $340,000,000, a gain of but $12,000,000. For the month of September itself, this tendency is even more marked. While our total trade increased from $87,000,000 to $95,000,000, imports actually declined from $57,000,000 to $54,000,000, while exports showed a gain of from $29,000,000 to $41,000,000. In other words, the adverse balance of trade, which has been so frequently commented upon by hostile critics, is becoming a thing of the past and Canada, instead of borrowing money to pay her debts, is selling her natural products and thereby redeeming her obligations.