

HOW

It All Started

By Campbell Morrison

By the time the Department of External Affairs opened its doors in 1909, Canada had already negotiated trade agreements with eight European countries as well as New Zealand and Japan, sent numerous trade officers abroad and vastly increased its foreign exports.

DFAIT celebrates its centenary this year mindful that Canada's groundbreaking role in the world dates to the founding of the Department of Trade and Commerce in 1892.

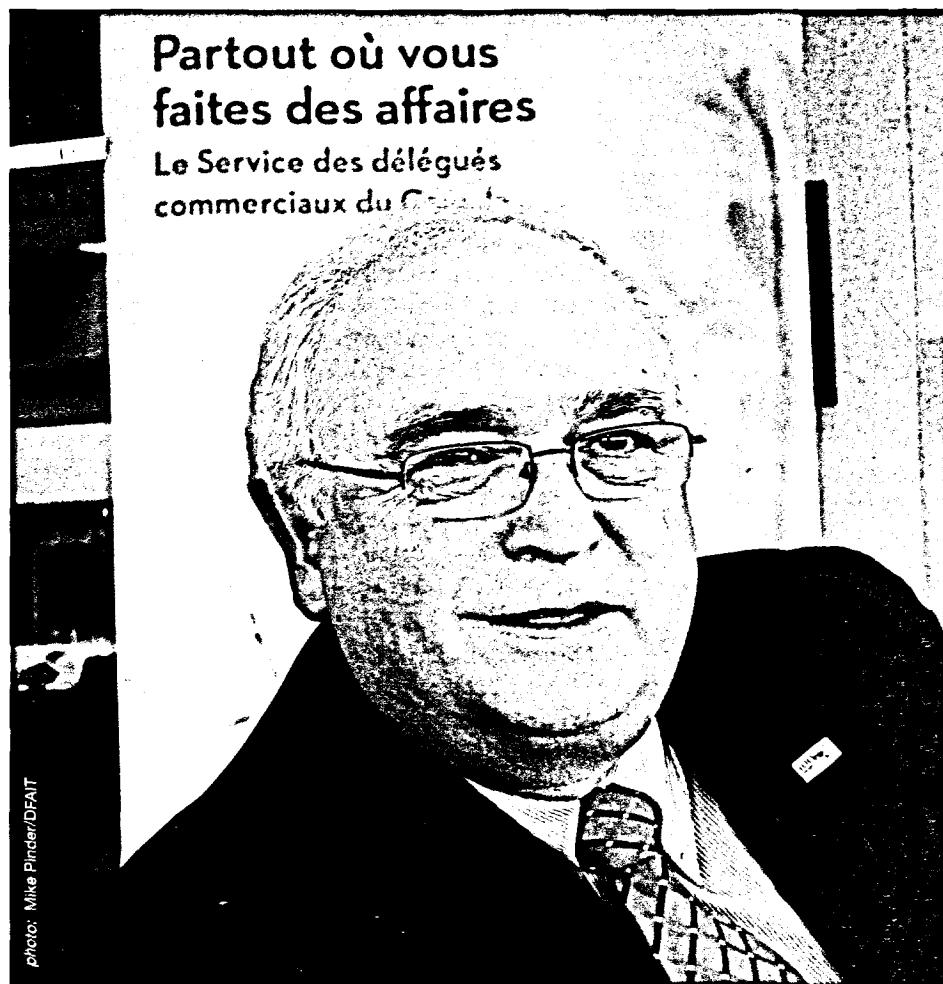
"The importance of international trade and investment was recognized very early in the history of Canada," says Chief Trade Commissioner Ken Sunquist, who joined the Trade Commissioner Service in 1973 and also serves as Assistant Deputy Minister for Asia and Africa.

In 1894, the department created what is now the Trade Commissioner Service. Its first commercial agent, John Short Larke, a former newspaper owner from Oshawa, was sent to Sydney, Australia, to drum up business for Canadian firms. Others followed in New Zealand, the West Indies, South Africa, Britain and France. There were also part-time agents in Norway, Japan, Mexico, Argentina and Uruguay.

Within two years, the department added six more agents in Britain and one each in Germany and the Netherlands. In 1909, an office opened in Shanghai. Trade officers were sent to Brazil, Cuba, Colombia, the Bahamas, Jamaica, Trinidad and Tobago and Newfoundland, which was not yet part of Canada.

The department was having an impact. Canadian exports grew from \$106 million in 1896 to \$274 million in 1911. During these years, exports to Britain, then Canada's largest trading partner, grew to \$132 million from \$63 million. Exports to the United States, Canada's second-largest market, grew to \$104 million from \$34 million.

The most dramatic increases were seen in countries where commercial officers were stationed, concludes O. Mary Hill's book, *Canada's Salesman to the World: The Department of Trade and Commerce 1892-1939*. Exports to Mexico, for example, increased 58-fold, those to the Netherlands increased 16-fold and those to Australia grew almost eight times.



Chief Trade Commissioner Ken Sunquist: "Prosperity depends on the success of Canadian traders."

"The major objective of the department's commercial policy was to reach out first to Empire and second to non-Empire markets," Hill writes. Another goal was to reduce the dependence upon Britain and the United States.

Having established their value, trade officers have had a permanent and growing role in the Government of Canada. In 1982, the TCS became part of the newly amalgamated department, today's Foreign Affairs and International Trade Canada.

"International trade and investment have remained an indispensable part of the federal government," Sunquist says. "Through various structures, through wars and times of economic upheaval, governments have always understood that prosperity depends on the success of Canadian traders."