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Is Our Foreign Trade Increasing?

Trade Link With United States Has Strengthened Since 1914, While Empire Connection Has Weakened — Growth of Canadian Exports Has Exceeded Increase in Prices — Latest Figures Show Falling Off in Exports to Europe, but Increase in Canadian Purchases There

By STATISTICIAN

IS the foreign trade of Canada increasing? The trade returns give a very satisfactory answer; they indicate general progress, showing that, in commerce, Canada is well represented on the seven seas. The term "foreign trade," it may be observed, includes trade done with the British* Empire generally, as well as with foreign states proper.

The best way of sizing up the situation is to compare the trade figures for the fiscal year 1913-14, which ended four months before the outbreak of war, with those for the year ending March 31 last, these being representative of the old and new conditions in the commercial life of the Dominion. Incidentally, they best illustrate the new commercial spirit in Canada; the old, which was content pretty much with the home market and a fairly good outlet in the United Kingdom; the new, which while holding the market at home as securely as ever, recognizes that its real trade field is the world.

Great Increase in Exports

The story as told in a nutshell by the returns for trade years ending March 31 is as follows:—

1913-14	
Total exports	\$ 455,437,224
Imports	618,457,144
Total foreign trade	\$1,073,894,368
Total foreign trade per capita	\$ 143.00
1919-20	
Total exports	\$1,286,658,709
Imports	1,064,516,169
Total foreign trade	\$2,351,174,778
Total foreign trade per capita	\$ 273.00

It is to be noted that in 1919-20 the total exports were not only 182 per cent. greater than they were in 1913-14; but were valued at \$113,000,000 more than the total imports and exports during the latter year. Allowance should, of course, be made for the rise in prices; but increase in the value of exports to the extent of 182 per cent. far exceeds the rise in prices.

Trade By Countries

Comparing the returns by important groups, the trade during the foregoing two years was made up as follows:—

Imports		1913-14	1919-20
From United Kingdom	\$ 132,070,362	\$ 126,269,274	
From other portions of British Empire	22,456,440	47,901,537	
From United States	395,565,328	801,702,720	
From other countries	68,365,014	88,642,638	

Total exports		1913-14	1919-20
To United Kingdom	\$ 222,322,292	\$ 495,961,867	
To other portions of British Empire	23,709,829	73,653,809	
To United States	176,948,299	510,128,368	
To other countries	32,456,804	206,914,665	

Trade Has Broadened

Evidence of the expanding nature of our foreign trade is to be seen in the fact that trade is conducted with a larger number of countries and on a much larger scale generally than in 1913-14. An increase in exports and imports merely with the United Kingdom and the United States would not of itself denote advance as a world trader. Indeed, it might be an evidence of greater dependence upon these countries than in the pre-war days. The broader the base of the country's trade and the larger the number of other states it trades with, the more substantial is its foreign commerce likely to be; and in this respect Canada has made positive progress.

Take exports. In 1913-14 Canada was dependent on the United Kingdom for a market for nearly one-half of her exports; to be definite, that country took 49 per cent. of them. John Bull and Uncle Sam between them took 88 per cent. of all that Canada sold abroad. This was a rather unhealthy condition, for it made the country too dependent on these two markets. But last year the United Kingdom took but 38.6 per cent. and a ready demand was found for a trade which, in point of value, was twice as large as that in 1913-14. Countries, other than the United Kingdom and the United States, which took a little over 12.3 per cent. of Canada's exports in 1913-14, took 22 per cent. last year. For every dollar's worth that we sold to these other countries in 1913-14, now we sell six. This is a decided gain; it means not only a much more diversified demand, but better trading conditions generally.

Imports from United States

In the matter of imports not as satisfactory progress can be reported, the Dominion being more dependent than ever on one source of supply, the United States. In 1913-14, 63.9 per cent. of all the imports came from that country; but in 1919-20, the percentage had risen to 75.3 per cent. This gain has been made at the expense of other countries. For example, in 1913-14, no less than 21.3 per cent. of the imports were drawn from the United Kingdom; last year the percentage was but 11.9. In 1913-14, countries other than the United Kingdom and the United States sent us 14.8 per cent. of the total imports; last year they sent but 12.8 per cent.

Of our commercial neighbors the United States has gained most from the increased external trade of Canada