VI.—TRADE AND COMMERCE.

This section of the Canada Year Book is divided broadly into two sub-sections, dealing respectively with external and internal trade.

The first of these commences with a short history of Canadian external trade, the Canadian tariff, and recent developments in external trade, followed by a short account of the Commercial Intelligence Service. Thereafter is to be found a treatment of external trade statistics under three main headings:—(1) historical statistics of total Canadian trade and trade with the United Kingdom and the United States (Tables 1 to 9), current trend statistics of trade with respect to commodities imported from and exported to all countries, the United Kingdom and the United States (Tables 10 to 18), and finally, current trend statistics of trade with the different trading countries of the world other than the United Kingdom and the United States, by principal commodities imported and exported (Tables 19 to 23).

The sub-section on Internal Trade commences with a general statement on interprovincial trade, and continues with an analysis of grain trade statistics, followed by a treatment of the marketing of live stock and animal products. Statistics of commodities in cold storage are given and the sub-section is brought to a conclusion by a statistical treatment of bounties, patents, copyrights and trade marks and weights and measures.

I.—EXTERNAL TRADE.

1.—Historical Sketch of External Trade and Tariffs.

In the early history of the American continent each of the different European nations establishing settlements in the New World endeavoured to monopolize the commerce of its colonies, prohibited the ships of other nations from resorting to them and prohibited its colonials from importing European goods from other countries, generally granting them, however, preferential treatment in its own market. In these circumstances the colonial wars in America were carried on by governments permeated by the mercantile spirit, for "ships, colonies and commerce." Owing to this fact, wars resulting in the transfer of colonies from one European power to another involved great economic as well as political changes in the community so transferred. The traders who had previously controlled the trade between the colonial power and its colony found their occupations gone, while new traders from the conquering state arrived to take over the import and export trade, which thereafter flowed in new channels perhaps no more artificial than those which had previously existed.

Throughout the earlier part of the French *régime* in Canada, the foreign trade of the colony was in the hands of the monopolistic chartered companies, of which the Company of One Hundred Associates was the most notable. When its monopoly was cancelled in 1663, the foreign trade of Canada still remained a preserve of the merchants of Old France. Upon the conquest of the country by the British, the French merchants who had their offices in Quebec and Montreal for the most part returned to France, and the trade of the colony fell into the hands of the traders from England, Scotland and New England, who had swarmed into the country at the heels of the invading armies. Some of their descendants are still among the leaders in Canadian import and export trade.

For the first sixty years of British rule, Canadian commerce was carried on almost exclusively with or through the United Kingdom, the merchants of New