

Internal trade in Canada had its basis many years before Confederation in the exchange of the furs and lumber products of Quebec and Ontario for the fisheries and mineral products of the Maritimes. It was also thought at the time of Confederation that the coal fields of Nova Scotia would furnish sufficient fuel for the needs of all the eastern part of the Dominion. Later, the manufactures of Ontario and Quebec found markets from one end of the Dominion to the other, bringing back in exchange the farm, mineral and other products required by large urban communities and produced for exchange principally in western and northern regions. A further stimulus to the trade between east and west over the barren areas north of lake Superior may result from the recently increased production of the Alberta coal fields.

Thus, while many of the smaller communities and areas, like the primitive agriculturist, produce only for their own needs and are economically independent, the principle of comparative advantage is seen in the increased trade between the economic regions of the Dominion, a trade which is principally carried on over the railways of the country, but also largely over its waterways. A comparatively new development is the inauguration of sea transport between Eastern Canada and British Columbia *via* the Panama Canal. (See pp. 687-8.)

A monthly traffic report of the railways of Canada is published by the Transportation Branch of the Dominion Bureau of Statistics, showing, for each province, and for the Dominion as a whole, the total *revenue* freight traffic of all railways, (not the "on company service" freight), divided into 70 classes of commodities. The data also show the quantity of each class that originated and terminated in each province. The reports are of use in computing the imports and exports of each province for each of the 70 classes of commodities. For example, if the total tonnage terminating in Alberta during 1927, as shown in Table 1, is deducted from the tonnage carried, the remainder of 5,468,601 tons represents the net exports from Alberta for the year 1927. The comparative figure for 1926 was 4,938,372 tons. These statistics show rail traffic only, a limitation which should be borne in mind in connection with the trade of provinces favoured with facilities for water transportation.

The total revenue freight traffic movement on the steam railways of Canada fluctuates to a certain extent with the yield of the crops and with activity in the mining and construction industries involving heavy movements of low grade freight. Nevertheless, there is apparent in the figures of recent years a general increase of traffic, the total freight carried in 1927 being 107,557,957 tons as compared with 107,003,864 tons in 1926, 96,239,379 tons in 1925, 93,650,916 tons in 1924, 103,757,559 tons in 1923, 88,854,800 tons in 1922 and 83,814,436 tons in 1921.

Statements similar to that in Table 1 may be compiled for any of the 70 commodities for which statistics are collected, showing the interprovincial trade by rail in these commodities. For details see "Summary of Monthly Traffic Report of the Railways of Canada, 1927", obtainable from the Dominion Bureau of Statistics.