

Subsection 3.—Trade with the United Kingdom and the British Empire.

Trade with the United Kingdom.—Imports from the United Kingdom in 1931 were valued at \$149,497,392, in 1930 at \$189,179,738 and in 1929 at \$194,041,381; the decrease in 1931 compared with 1930 amounted to \$39,682,346 or 20.9 p.c. and with 1929 to \$44,543,989 or 22.4 p.c. The domestic exports from Canada to the United Kingdom in 1931 were valued at \$219,246,499, in 1930 at \$281,745,965 and in 1929 at \$429,730,485; the decrease in 1931 compared with 1930 amounted to \$62,499,466 or 22.1 p.c. and compared with 1929 to \$210,483,986 or 49.0 p.c.

The decrease in the imports from the United Kingdom in 1931 compared with 1930 occurred in every one of the nine main groups. However, in recent years from 55 p.c. to 60 p.c. of Canada's imports from the United Kingdom have been made up of textiles and alcoholic beverages and it was in these commodities that the principal reductions occurred—\$19,000,000 in textiles and nearly \$8,000,000 in beverages, while iron products decreased \$3,400,000. The only commodities to show large increases in imports were tea, iron plates and sheets, and coal.

Canada's exports to the United Kingdom consist chiefly of agricultural and vegetable, animal, wood and paper and non-ferrous metal products. Of the decrease in the 1931 domestic exports, as compared with those of 1930, amounting to \$62,500,000, agricultural and vegetable products (chiefly wheat and barley) accounted for \$45,400,000, while a further \$9,500,000 occurred in animal products (chiefly cheese, meats and raw furs). Newsprint paper, automobiles, pig lead and acids were other commodities showing largely decreased exports. Exports of non-ferrous metal products as a group showed increased exports largely due to important increases in exports of nickel and platinum.

The commodities making up Canada's export and import trade with the United Kingdom are dealt with in detail in Tables 12 and 13 of this chapter.

The British Wheat Quota.—In the following tables, the more important statistics bearing on the problem of the proposed British wheat quota and the wheat imports into the United Kingdom are shown. In the interpretation of these tables it should be remembered that, owing to the curtailed marketing policy followed by the Canadian wheat pools in 1929 and the short crops of 1929 and 1930, exports of Canadian wheat in those years were distinctly subnormal. It should also be borne in mind that, in the ordinary discussion of the wheat quota, British home-grown wheat is included, whereas this analysis deals only with imported wheat.

The first table is based on United Kingdom records of imports. The accuracy of the United Kingdom records of imports is questioned because of the confusion of Canadian exports *via* the United States with the actual exports of that country and similarly because some United States wheat is exported *via* Montreal and may thus be confused with Canadian wheat. Therefore, to the United Kingdom record of wheat imported from Canada is added the difference between the United Kingdom imports of United States wheat and the United States exports to the United Kingdom, the difference being Canadian wheat exported through the United States. A corresponding deduction is made for the United States wheat exported to Britain through Montreal. The resulting adjusted figures show considerably higher percentages for both Empire and Canadian wheat than the unadjusted import records of the United Kingdom, and, taking the years 1925 to 1928 as more representative than the two latest years for reasons already stated, the average for these four years is 62 p.c. Empire wheat and 46 p.c. Canadian.