

sions under the Trade Agreement of 1931 and the British West Indies under the Agreement of 1925 referred to on p. 483. The British preferential tariff enacted in 1897, as well as trade treaties and agreements negotiated with British and foreign countries, have had the effect of stimulating Canada's external trade. When the British preference became effective in 1897 Canada's total imports from the United Kingdom in that year amounted to only \$29,401,000, compared with an import in 1887 valued at \$44,741,000 and in 1873 at \$67,997,000. From 1873 to 1897 imports from the United Kingdom decreased \$38,596,000 or 56.7 p.c. Thus, since the introduction of the British preferential tariff, a downward trend in imports from the United Kingdom has changed to one strongly upward. But, in spite of the encouragement offered by the preferential tariff, a study of the figures in the following table will show that trade with the United Kingdom, and with the British Empire as a whole, has not grown so rapidly as that with foreign countries, with the result that in both imports and exports the percentage of the total trade of Canada carried on with the British Empire has declined. The proportion of trade with parts of the Empire other than the United Kingdom has increased but not sufficiently to overcome the decreased percentage with the United Kingdom. However, during the two latest years the proportion of trade with both the United Kingdom and the total British Empire showed a distinctly upward trend, especially in imports, but in exports also, although both the volume and direction of Canada's exports vary widely with the vicissitudes of crops here and in other parts of the world.

In the interpretation of statistics covering a long period such as those in the table following, the wide fluctuations in price levels should be borne in mind. Thus the fiscal year 1896, just prior to the introduction of the British preference, marked about the close of a long period of declining prices which began in the '70's. Prices followed a rising trend from then to the last pre-war fiscal year 1914, and rose very steeply throughout the War to a peak in the fiscal year ended 1921. In the following year, 1922, prices suffered a sudden drop and then remained fairly steady until 1929, since when the recent serious decline has occurred. (See Chapter XX). The trade of Canada with the British Empire in certain fiscal years was as under:—

TRADE OF CANADA WITH THE BRITISH EMPIRE.

Item and Fiscal Year.	Canadian Trade with—			Percentage of Total Trade with—		
	United Kingdom.	Other British Empire.	Total British Empire.	United Kingdom.	Other British Empire.	Total British Empire.
Imports.						
1886.....	\$ 39,033,006	\$ 2,383,560	\$ 41,416,566	p.c. 40.7	p.c. 2.5	p.c. 43.2
1896.....	32,824,505	2,388,647	35,213,152	31.2	2.2	33.4
1906.....	69,183,915	14,605,519	83,789,434	24.4	5.1	29.5
1914.....	132,070,406	22,456,440	154,526,846	21.4	3.6	25.0
1921.....	213,973,582	52,029,126	266,002,688	17.3	4.2	21.5
1922.....	117,135,343	31,973,910	149,109,253	15.7	4.3	20.0
1926.....	163,731,210	45,088,918	208,820,128	17.6	4.9	22.5
1929.....	194,041,381	63,346,829	257,388,210	15.3	5.0	20.3
1930.....	189,179,738	63,494,864	252,674,602	15.2	5.1	20.2
1931.....	149,497,392	56,491,896	204,989,286	18.5	6.2	22.7
1932.....	106,371,779	41,440,214	147,811,993	18.4	7.2	25.6
Exports (Canadian).						
1886.....	36,694,263	3,262,803	39,957,066	47.2	4.2	51.4
1896.....	62,717,941	4,048,198	66,766,139	57.2	3.7	60.9
1906.....	127,456,465	10,964,757	138,421,222	54.2	4.5	58.7
1914.....	215,253,989	23,388,548	238,642,517	49.9	5.4	55.3
1921.....	312,844,871	90,607,348	403,452,219	26.3	7.6	33.9
1922.....	299,361,075	46,473,735	345,835,410	40.4	6.3	46.7
1926.....	508,237,560	90,330,435	598,567,995	38.7	6.9	45.6
1929.....	429,430,485	106,258,813	535,689,298	31.5	7.8	39.3
1930.....	281,745,965	97,825,173	379,571,138	25.2	8.8	33.9
1931.....	219,246,499	73,617,897	292,864,396	27.4	9.2	36.6
1932.....	174,043,725	44,912,662	218,956,387	30.2	7.8	38.0