

adopted in dealing with exports of foreign produce. For example, the shrinkage in the exports of foreign produce since 1920 has been due to change of statistical method rather than to actual diminution in value or volume of such goods exported. For the past 16 years, re-exports of foreign products from bonded warehouses have no longer been included in Canadian trade statistics either as imports or as exports, while the exports of foreign produce during this period have been composed of goods which had previously been entered as imports for home consumption. Such goods are debited to Canada when entering this country, and should be credited to Canada when re-exported.

From Table 2 it will be observed that, in most of the years from Confederation to the outbreak of the Great War, imports entered for consumption exceeded total exports, especially during the great growing period from 1904 to 1914. Since that time, however, there has been an annual excess of exports except in the fiscal years ended 1920, 1930, and 1931, when there were heavy return movements of funds to Canada in the form of an excess of imports.

The values of coin and bullion imported and exported are shown in Table 3. In the tables this year, gold bullion exported from Canada as merchandise is included as such as a part of the total commodity exports and the statistics have been revised accordingly from 1926 to date. When the Royal Mint in Ottawa began to refine gold, exports formerly shipped as "Gold bearing quartz, dust, etc.", began to be exported in the form of bullion and until 1935 were recorded under coin and bullion as distinct from merchandise. In order to maintain comparability with the statistics of previous years, and also since Canada is a large gold-producing country and exports of gold are as much a part of national production as any other item, it was considered expedient to make the change indicated above. The gold exports have been valued since June 1, 1931, at the monthly average current market price. Amounts collected in export duties from 1868 to 1892, and in import duties from 1868 to 1936, together with the cost of collection expressed as a percentage of the total duties, are stated by years in Table 4. Tables 5 and 6 show, respectively, exports of Canadian produce and imports for home consumption from the United Kingdom, the United States and other countries since 1868. These figures show the overwhelming predominance of the two great English-speaking countries in our foreign trade; in the fiscal year ended Mar. 31, 1936, for example, 80.3 p.c. of our exports of domestic produce was shipped to these two countries, which, in the same year, together provided 77.7 p.c. of our imports for home consumption. Tables 7 and 8 show, respectively, by years, the percentage proportions of imports from the United Kingdom and the United States to totals of dutiable and free imports since 1911, and the *ad volorem* rates of duty collected on imports from these and from all countries from 1868 to 1936. The higher rates collected on imports from the United Kingdom than on those from the United States in spite of the preferential tariff accorded British goods since 1897 is largely due to the following factors: (1) imports of alcoholic beverages, which are subject to high duties, bulk largely in imports from the United Kingdom but are negligible from the United States; (2) imports of raw materials for processing in Canada, which are free of duty, form an important part of imports from the United States; and (3) dutiable imports from the United Kingdom are largely highly manufactured goods which are subject to relatively higher rates than semi-manufactured goods for further manufacture in Canada, which form another large element of imports from the United States. This subject is treated in more detail at pp. 58-59 of the Condensed Preliminary Report on the Trade of Canada, 1936, and under Subsection 4 of this chapter.