

be added to the dutiable imports from the United Kingdom. After these logical adjustments the average rate of duty on imports from the United Kingdom has been lower in every year since 1922 while the difference in favour of the United Kingdom has become 50 p.c. or more in recent years. This subject is treated in more detail at pp. 58-59 of the Condensed Preliminary Report on the Trade of Canada, 1936, and at pp. 509-510 of the 1937 Year Book.

Trade with the British Empire.—An abbreviated statistical survey of Canada's trade with the United Kingdom and the remainder of the Empire is given in Statement VII below. Empire trade has accounted for a much larger proportion of exports than of imports. The percentage of both import and export trade with the Empire, other than the United Kingdom, has shown a generally upward trend in the period covered since 1886. The industrial development of Canada draws increasing imports of raw materials from other Empire countries, which in turn provide an expanding market for her manufactured and specialized products.

For the intelligent interpretation of trends in trade over a long period such as that covered in Statement VII it is essential to bear in mind the effects of shifts in the production of commodities and in world demand, as well as fluctuations in price levels and in business cycles. These factors are discussed in connection with the principal commodities imported and exported on pp. 495-499, and also in the Review of World Trade on pp. 476-485, and should be studied in connection with the trends evidenced here.

VII.—CANADA'S TRADE 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.
	\$	\$	\$	p.c.	p.c.	p.c.
Imports.						
1886	39,033,006	2,383,560	41,416,566	40.7	2.5	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	213,973,562	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	189,179,733	63,494,864	252,674,602	15.2	5.1	20.3
1933	86,466,055	33,918,289	120,384,324	21.3	8.3	29.6
1934	105,190,764	35,303,122	140,493,886	24.2	8.2	32.4
1937	129,507,885	68,657,957	198,165,842	19.3	10.2	29.5
1938	144,999,689	88,194,545	233,194,234	13.2	11.0	29.2
Exports (Canadian).						
1886	36,694,263	3,262,808	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	215,253,969	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	299,361,675	46,473,735	345,835,410	40.4	6.3	46.7
1926	508,237,560	90,330,435	598,567,995	38.5	6.8	45.3
1929	429,730,485	106,258,803	535,989,288	31.4	7.8	39.2
1930	281,743,965	97,825,173	379,571,138	25.2	8.7	33.9
1933	184,361,019	37,757,908	222,118,927	34.9	7.2	42.1
1934	288,582,666	50,423,723	339,006,389	43.3	7.6	50.9
1937	407,996,698	87,601,407	495,598,105	38.4	8.3	46.7
1938	409,411,682	108,027,338	517,439,020	38.2	10.1	48.3