

CANADA LEADS PER CAPITA TRADE

Canada was the world's leader in trade per capita, in 1956, according to preliminary information available for the principal trading nations, states the annual *Review of Foreign Trade* released by the Dominion Bureau of Statistics. Canada last held first place in 1953 but lost it to New Zealand in 1954 and 1955. New Zealand, now in second place, imposed trade restrictions in 1956 which reduced her per capita imports while Canada's imports expanded sharply as a result of a heavy programme of investment.

Total Canadian trade - domestic and foreign exports plus imports - amounted last year to \$657.21 per head of population, up from \$577.38 in 1955. The previous high in 1953 was \$578.31 per head.

Canada's foreign trade continued to expand in 1956 for the second consecutive year, both exports and imports attaining new value and volume peaks. Generally prosperous international economic conditions brought about close to a 10 per cent increase in world trade between 1955 and 1956 while Canada's total exports (domestic exports plus re-exports) rose by nearly 12 per cent and her imports by just over 21 per cent to give Canada close to 6 per cent of total world trade. Canada remained in 1956 the world's fourth largest trading nation, the value of Canada's foreign trade being surpassed only by that of the United States, the United Kingdom and Germany, the latter having regained in 1954 its traditional prewar position.

The United States participated in two-thirds of Canada's foreign trade in 1956, taking 59.2 per cent of our exports and supplying 73 per cent of our imports, both fractionally lower than in 1955. The United Kingdom remained Canada's second most important trading partner, accounting for about one-eighth of Canadian trade. The British market took 16.8 per cent of our exports (a reduction from 1955) and supplied 8.5 per cent of our imports, the same proportion as in 1955.

Canada's exports to Europe, traditionally our largest trading area aside from the United States and the United Kingdom, rose by almost two-fifths while imports from there rose 45 per cent, in both cases resulting in record levels. This area's participation in total Canadian exports rose to 10.9 per cent and it supplied 5.2 per cent of Canadian imports.

Both exports to and imports from Commonwealth countries were somewhat higher in value in 1956 than the preceding year, though in terms of physical volume of trade there was little change. In terms of participation in Canadian trade, however, their share declined fractionally, to 5.2 per cent for exports and 3.9 per cent for imports.

Trade with Latin America showed the value of imports rising much more sharply than ex-

ports but the share of this area in Canada's trade was down fractionally for imports at 6.3 per cent and unchanged for exports at 3.7 per cent. Rising prices rather than rising volume brought about the value increase.

Principal increases in exports to the United States were in crude petroleum and newsprint, the former showing the largest absolute gain and registering almost a three-fold increase. Newsprint registered the second largest value increase but the percentage increase was only moderate. Iron ore had the third largest value increase, followed by copper and uranium.

Non-farm machinery items, again the top ranking import from the United States, had by far the largest value increase of all commodities and accounted for almost one-quarter of total imports from the United States. There were also sharp advances for rolling-mill products, pipes, tubes and fittings, tractors, passenger cars and trucks and scrap iron and steel. Of the few leading commodity imports that declined, aircraft had the largest drop (about a third) and cotton imports from the United States fell by over a quarter as imports from Mexico rose.

Exports to the United Kingdom were higher in most principal commodity groups with wheat remaining the most important single commodity. It accounted for about one-fifth of total exports to the United Kingdom and well over three-fifths of the total increase. Large increased exports were also recorded for iron ore (doubled in value), newsprint, aluminum, platinum metals, copper and pulpboard and paperboard.

Imports from the United Kingdom were higher in almost every major group of commodities but especially in the iron and steel group which increased by a half over 1955 and accounted for a third of Canada's imports from that source. Principal items contributing to this gain were rolling-mill products, pipes, tubes and fittings, passenger cars and non-farm machinery - the latter the largest item in the group. Other considerable gains were shown by wool fabrics, electrical apparatus and semi-fabricated and fabricated aluminum. Imports of aircraft were only half the 1955 value.

Exports of wheat to European countries other than the United Kingdom contributed about 90 per cent of the total export gain to Europe. Substantial increases in imports from Europe were recorded by all major groups with iron and steel items leading the increase.

Exports of aircraft to Commonwealth countries showed increases amounting to more than three times the net gain recorded for total exports to these countries. Substantial losses by most wood products tended to offset this large gain. Imports from Commonwealth countries were as usual concentrated on agricultur-