

Materials & Energy (Crude & Fabricated)	47.7	69.8	207	60.0	82
End Products	15.2	7.1	-3	20.7	521
All Exports	100	100	109	100.0	112

Strong gains in end-products are conspicuous; machinery and other highly manufactured goods figured strongly in the increases.

This table also indicates, in broad terms, how Canadian industry has been adjusting rapidly to changes in demand in world markets, despite some substantial variations. Much of the change in the make-up of Canadian exports took place in the sixties. In 1965, for example, inedible end-products accounted for 16 per cent of Canadian exports, compared to 9 per cent in 1960. In the next two years, this share rose sharply, to reach 27 per cent in 1967.

When it is considered that the share of end-products in world trade increased from about 29 per cent to 33 per cent in the same period, it becomes evident that the content of Canadian exports is shifting heavily to the commodity groups that have shown most growth in the last decade.

This picture is amplified somewhat by trends in major sectors within the commodity groups (as defined by the Standard International Trade Classification).

Food and crude materials as a whole still continued to be important in Canadian exports in the 1960s, forming nearly 50 per cent of all shipments in 1965, for example. Generally, these products form only 30 per cent of all world imports. But if total trade in foods has moved slowly, this cannot be said of meat, fish, cereals and alcoholic beverages, all of which are important Canadian exports. Moreover, if a genuine freeing of trade in food takes place, Canada can fare even better.

Canada's specialization in mineral and forest products modifies the impact of sluggish markets for crude materials. These products are in strong demand, being oriented to the buoyant industrial markets for durables, construction and packaging.

In the energy sector, moreover, the further discoveries of oil and gas in Western Canada and their wider use throughout North America have notably improved Canada's trade position in fuels.

In the further-manufactured groups, Canada's exports have been conditioned, until recently, not only by specialization in resource-related industries but also by the general organization of end-products and semi-fabricated products within a protected domestic market.

Canada is famous for newsprint and non-ferrous metals, and world demand for these has increased at a moderate pace. But world trade in semi-fabricated metals, paperboard, fine papers and chemicals has grown faster. So have exchanges in machinery and equipment, Canadian participation in which, once limited mainly to farm machinery and certain electrical items, has in recent years widened considerably.