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CANADIAN TRADE WITH WESTERN EUROPE

The United Kingdom and continental Europe represent the second largest market for Canadian goods, absorbing more than one-fourth of total Canadian exports. The bulk of this trade consists primarily of basic foodstuffs and industrial raw materials and only about onetenth is made up of manufactured goods. The composition of Canadian exports to Western Europe reflects the importance for Canada of this area, which is the largest market for many Canadian exports such as wheat, aluminum in primary forms, barley, polystyrene, synthetic resins, etc. As the table shows, an outstanding feature of Canadian exports in recent years is the fact that Canadian sales to Europe have continued to expand rapidly and at a faster rate than Canadian exports to the United States.

The largest increases in Canadian exports to Europe in this period occurred in industrial raw materials and basic foodstuffs and have been largely determined by the expansion in economic activity in the countries concerned. The increase affected mainly about a dozen traditional exports, (wheat, aluminum in pri-mary forms, planks and boards, nickel, copper, chemicals, barley, newsprint, wood pulp and seeds) which alone represented about 60 per cent of total Canadian sales to Western Europe. The United Kingdom is the second largest market for Canadian exports and absorbs substantial quantities of basic commodities which are important to our economy such as wheat, barley, flour, aluminum, copper and other industrial raw materials. Canadian exports to the United Kingdom, valued at nearly \$800 million in 1955, showed an increase of 60 per cent over a fiveyear period. Canada's main markets on the continent of Europe are Germany (\$91 million), Belgium-Luxembourg (\$53 million), Netherlands and Norway (\$47 million each), France (\$42 million), Italy (\$27 million), and Switzerland (\$25 million). About one-half of total Canadian shipments to these countries is made up of agricultural products of which wheat, at \$92 million, is the largest single item. The next largest exports are drugs and chemicals (\$26 million), flaxseed, asbestos, and aluminum.

CANADIAN EXPORTS TO THE U.S. AND EUROPE, 1950, 1955

(in millions of dollars)

	1950	1955	Percentage increase from 1950-1955	Share in total Cen. exports
United States	2,020	2,574	21	. 60
United Kingdom OEEC Continental	469	769	60	18
countries of which Customs Union countries (Germany, Italy, France, Belgium, Luxembourg,	201	373	46	9
Netherlands)	117	262	55	6

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