

1949 TRADE BALANCE \$261,200,000

IMPORTS AT NEW PEAK: Canada's foreign commodity trade was maintained at high levels during 1949. Trade returns for the 12 months show total exports down only slightly in value from the all-time peak established in 1948, while imports into Canada reached a new record value.

Total exports -- domestic and foreign -- to all countries were valued at \$3,022,500,000 as compared with the record value of \$3,110,000,000, in 1948, the moderate decline in the total being due mainly to a reduction in the aggregate value of exports to dollar-short European countries. Total merchandise imports were valued at \$2,761,200,000, up \$124,300,000 or 4.7 per cent over the previous peak of \$2,636,900,000 for 1948. Most of the rise in imports was in the earlier part of the year. During the latter months there were appreciable declines in the volume of imports as well as some declines in value.

Total exports to the United States last year also set a new record at \$1,524,100,000, up slightly from \$1,522,200,000 in 1948, when the value increased nearly 50 per cent over the previous year, the movement of goods across the border being particularly buoyant in the last two months of the year. Imports from the United States increased \$146,100,000 from \$1,805,800,000 in 1948 to \$1,951,900,000, but at the latter level were still short of the exceptionally high total of \$1,974,700,000 in 1947 when prices were lower.

Increases in purchases from the United States over the previous year were largest in the first seven months of 1949 and tapered off from August to October. In November and Decem-

ber there were decreases, indicating a decline in volume since the values were in terms of devalued Canadian dollars.

In trade with the United Kingdom, both exports and imports were higher in value last year than in 1948. Total shipments to the United Kingdom were valued at \$709,300,000 as against \$688,700,000 the previous year, and imports from the United Kingdom at \$307,400,000 as compared with \$299,500,000. Values of imports from the United Kingdom were generally higher during the first eight months of the year, and lower in the last four. Volume of imports in the closing months of the year, however, was greater than the value figures indicate because of the effect of the devaluation of sterling on the Canadian dollar value.

Canada's overall credit balance on commodity account, due to the rise in imports, declined last year to \$261,200,000 as compared with \$473,100,000 in 1948, but was above the credit balance of \$237,800,000 in 1947. Most of the decline in the export balance from the previous year occurred in the earlier months of the year. November and December saw large export balances, totalling \$130,800,000, or approximately one-half the year's total balance.

Due to the greater increase in imports than exports, Canada's debit balance with the United States increased in 1949 to \$427,800,000 from \$283,600,000 the previous year -- accounting for about two-thirds of the decrease in the overall credit balance -- but was less than half the adverse balance of \$918,100,000 in 1947.

AIR AGREEMENT WITH NORWAY: The Department of External Affairs announced on February 14 that a Bilateral Agreement for Air Services between Canada and Norway was signed on that afternoon in Ottawa. The Minister of Transport, Mr. Chevrier, signed on behalf of Canada, while His Excellency Daniel Steen, Minister to Canada for Norway, signed on behalf of his Government.

This Agreement is similar to the previous Agreement concluded by Canada with Sweden in 1947 and with Denmark in 1949 and provides for the direct carriage of traffic between Canada and Norway. Gander, Newfoundland, has been designated as the airport in Canada at which Norway may exercise its traffic rights.

An airline owned by the Government of Norway is a partner together with a Swedish and a Danish airline in the pooled Scandinavian Airlines System. This joint company has already been operating into Canada by virtue of the earlier Agreements concluded with Sweden and Denmark.

WAGE LEVELS AT NEW HIGH: Average weekly wages paid to hourly-rated wage-earners employed by leading Canadian manufacturing establishments reached a new high figure of \$42.86 at December 1 as compared with \$42.59 at the beginning of November and \$41.47 a year earlier. In the heavy manufactured class the latest figure was \$42.66 compared with \$46.22 at November 1 and \$45.18 at December 1, 1948, while in the non-durable division the average was \$39.25 against \$39.21 at November 1 and \$37.80 a year earlier.

Hourly earnings in manufacturing were also at a new high average of 99.9 cents, 0.4 cents above November 1 and 3.9 cents higher than at December 1, 1948. In durable manufactured goods the average was 108.5 cents compared with 108.0 at November 1 and 104.1 at December 1, 1948, and in non-durable manufactured goods it was 91.5 cents compared with 91.4 cents at November 1, and 87.7 cents a year ago.

The average work-week was 42.9 hours compared with 42.8 at November 1, and 43.2 at December 1, 1948.