



CANADIAN WEEKLY BULLETIN

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS

OTTAWA - CANADA

August 7, 1957

Vol. 12 No. 32

CANADA'S TRADE IN AGRICULTURAL PRODUCTS

According to an article in the latest issue of "Foreign Trade", Canada's trade in agricultural products currently reveals something of a paradox. It is declining in importance relative to total trade but, on a volume basis, it has been higher on the average in the past five years than in any similar peacetime period. And in terms of current dollars, it is higher than ever before. Interesting also is the fact that the value of agricultural imports has increased more rapidly than the value of agricultural exports--but imports of agricultural products of a kind not grown in Canada (such as cotton and coffee) make up half this total. Imports which compete directly with products grown in Canada--such as potatoes, soybeans and corn--represent only about one-third, in value of Canadian exports of agricultural products.

SIZE AND COMPOSITION OF TRADE

Agricultural exports for the five years 1935 to 1939 averaged \$307 million, or 33 per cent of total exports, and the 1952-56 average was \$1,006 million which, however, was only 24 per cent of total exports. Despite this relative decline in the importance of agricultural exports and the decrease in the value of money, agricultural exports have risen in absolute terms. By adjusting the value in the two periods to take account of the change in the purchasing power of the dollar, it is estimated that exports in the past five years

have been 48 per cent higher, on the average, than they were before the war.

Wheat is the most important single commodity in Canada's agricultural export trade. It is also one of the three most important in exports of all commodities, competing from year to year for top position with newsprint paper and planks and boards. Exports of wheat and wheat flour have averaged between 50 and 60 per cent of total agricultural exports, with only a small percentage rise from the prewar to the recent five-year period.

A comparison of values in actual dollar terms shows that agricultural imports increased between 1935-39 and 1952-56 by 28 per cent more than agricultural exports during the same period. The rate of increase was, however, only half that of total commodity imports.

A considerable part of Canada's imports of agricultural products is made up of non-competing items. In 1956, for example, out of total agricultural imports of a value of \$690 million, tea, coffee and rubber accounted for \$129 million and raw cotton for \$59 million.

In addition, there are other items which compete to a greater or lesser extent with Canadian-grown products although they are not raised in this country. Outstanding examples are citrus fruits (\$33 million), grapes (mainly of the vitis vinifera variety not grown in Canada--\$9 million), dried fruits (\$12 million), fruit juices (\$19 million), nuts (\$21 million), and raw cane sugar (\$56 million).

(Over)

CONTENTS

Canada's Trade In Agricultural Products	1
Integrated Air Defence	3
Mr. Menzies' Visit	3
University At Lethbridge	3
At Malayan Ceremony	3
Canadian Envoy	3

Record Rise In Population	4
Exercise "Sea Spray"	4
Foreign Trade At New Peak	4
Statement On Immigration	5
Air Defence	5