

census reports to their appropriate industries; and second, to take the value of these import (and export) items (1) as a per cent of the market (i.e., the selling value of factory shipments plus imports minus exports) to determine the degree of import competition, and (2) as a per cent of the selling value of factory shipments to obtain the degree of exports. In allocating trade commodities by industry, it was not possible to distinguish between imported products which actually compete with the output of Canadian industries and imported products for which there is little Canadian production. Thus, some of the industries studied, such as machinery manufacturing, might better be described as import-sharing rather than import-competing.

The list of the 22 industries and their trade classification are shown in table 2. It may be of interest to note that the U.S. counterparts of seven of the industries in the import-competing sector, that is iron castings, primary iron and steel, machinery, clothing, cotton goods, motor vehicles, and motor vehicle parts, are responsible for more than 50 per cent of U.S. commodity exports to Canada. (Because of this fact we have begun a comparative study of these seven industries in the United States and Canada.)

The 11 industries included in the import-competing sector sell a major portion of their output on the domestic market. Only a fraction of the output of these industries