

The increase, therefore, of 16.9 p.c. in the volume and 19.5 p.c. in the value of imports reflects a recovery in purchasing power in Canada and probably some slight expansion in capital expenditures which were almost completely suspended during the worst years of the depression. It may be noted in Statement V that imports of iron and non-ferrous metal products, the groups chiefly influenced by capital expenditures, were much higher in 1937 than in 1933, though still much below those of the fiscal year 1927, chosen because it approximates to the calendar year 1926 taken as a representative year of the post-war prosperity period. Similarly in 1936 and 1937 imports have increased from the United States which is the chief external source for machinery and other durable goods and materials.

Exports represent the sale in world markets of surplus products of Canadian farms, mines, forests, fisheries, and factories and, when there is a ready sale for such products at prices profitable to the producer, large exports result in prosperity in Canada. In the year 1937 exports increased in volume by 16.8 p.c., while higher prices accounted for an increase of about 8.2 p.c. in the value of exports, so that Canadian goods were sold abroad not only in larger volume but also at more profitable prices. (See Subsection 10, pp. 582-585, for a comparison of volume and value.) The figures of exports shown in Statement V indicate that a shift is taking place in the importance of groups in the composition of our exports. In the prosperity period, 1925-29, Canadian exports were predominantly agricultural. Indeed, in that period it was largely because bountiful harvests coincided with an active world demand at good prices that prosperity was widespread in Canada. In 1927 the two groups, vegetable and animal products, made up 59 p.c. of our exports, while non-ferrous metals constituted only 6.4 p.c. In 1937, on the other hand, vegetable and animal products made up only 45 p.c. of exports, but non-ferrous metals (including gold) increased to 22 p.c. This is very suggestive of the part which the mining and exporting of non-ferrous metals (including gold) are playing in the current economic recovery of Canada.

V.—SUMMARY OF THE TRADE OF CANADA BY MAIN GROUPS, FISCAL YEARS ENDED MAR. 31, 1914, 1927, 1933, 1936, AND 1937.

Group.	Values of Imports (Million \$).					Values of Domestic Exports (Million \$).				
	1914.	1927.	1933.	1936.	1937.	1914.	1927.	1933.	1936.	1937.
ALL COUNTRIES.										
Agricultural and Vegetable Products.....	97.6	213.1	88.3	110.3	131.4	201.2	575.0	203.4	242.9	346.5
Animals and Products	41.1	53.2	15.4	24.3	27.9	76.6	167.3	54.3	100.9	133.9
Fibres and Textiles...	109.2	183.6	61.2	89.8	104.8	1.9	7.7	4.7	10.3	12.8
Wood and Paper.....	37.4	48.0	20.5	23.3	28.9	63.2	284.1	120.9	181.8	223.9
Iron and Its Products	143.8	229.4	58.9	114.3	150.2	15.5	74.3	17.3	52.4	53.2
Non-Ferrous Metals..	35.6	52.7	18.1	33.7	37.0	53.3	82.6	96.9	212.5	230.2
Non-Metallic Minerals.....	85.3	156.8	87.7	105.4	117.0	9.3	28.9	9.2	19.1	26.1
Chemicals and Allied Products.....	17.1	31.8	25.5	29.9	33.1	4.9	16.2	11.1	16.0	19.2
Miscellaneous Commodities.....	52.1	62.2	30.8	31.7	41.6	5.7	18.1	10.3	13.1	15.4
Totals.....	619.2	1,030.9	406.4	562.7	671.8	431.6	1,254.2	528.1	849.0	1061.2