

if the average price or unit value had been the same in each year as it was in 1936. In other words, the figures on the basis of 1936 average values enable a comparison to be made of the imports or exports for the given years on the basis of variations in quantity only, variations due to different prices having been eliminated. Index numbers of declared values, that is, the total declared values of the imports or exports in each year expressed as percentages of 1936, are then given. These are followed by the index numbers of average values, which show the prices at which goods were imported or exported in each year expressed as percentages of the prices in 1936. Finally, the index numbers of physical volume show the relative quantity of merchandise imported or exported in each year expressed as a percentage of the quantity of the same merchandise in 1936.

The fiscal year 1938 shows a general increase in the volume of imports under all groups, indicative of the recovery of the purchasing power of the people of Canada. The greatest change since the low period of the depression represented by the fiscal year 1933 is the increase in the imports of iron and its products.

In the latter half of Table 22, dealing with exports, the index numbers show a very encouraging recovery since the fiscal year 1933 in both the volume of exports and in the average values or the prices at which they sold in the world markets. Recovery in volume has been particularly marked in the cases of the wood and paper, iron, and non-metallic mineral groups. These products represent to a large extent capital goods or materials, and the demand for them was very much curtailed during the worst years of the depression. The volume of vegetable products exported in 1938 was very low owing to the drought of the 1937 agricultural season.

The index numbers of average values of imports rose from 88.3 in 1933 to 105.9 in 1938, or by about 20 p.c., while the index of average values of exports rose in the same period from 78.6 to 114.3, or by 45 p.c. This greater rise in the prices of exports than in those of imports represents welcome progress toward a betterment in Canada's barter terms in world trade, which suffered so severely during the depression owing to the much greater decline in the prices of primary goods than in those of highly fabricated commodities. See also Subsection 1, pp. 476-485 regarding price disparities in world trade.

22.—Comparison of the Values and Volumes of the External Trade of Canada, by Main Groups, fiscal years ended Mar. 31, 1933-38.

Group.	1933.	1934.	1935.	1936.	1937.	1938. ¹
	IMPORTS FOR CONSUMPTION.					
Values as Declared.	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Agricultural and Vegetable Products	88,289	90,829	109,419	110,342	131,400	146,335
Animals and Their Products	15,439	19,842	19,957	24,314	27,863	30,400
Fibres and Textiles	61,215	79,372	81,798	89,814	104,811	108,932
Wood and Paper	20,506	19,358	21,200	23,272	28,928	34,221
Iron and Its Products	58,918	69,127	100,056	114,254	150,239	209,237
Non-Ferrous Metals	18,095	20,171	28,497	33,686	37,038	47,064
Non-Metallic Minerals	87,658	83,397	102,428	105,421	116,948	136,663
Chemicals and Allied Products	25,455	25,584	28,872	29,920	33,105	36,890
Miscellaneous	30,809	26,119	30,204	31,696	41,544	49,328
Totals, Declared Values	406,384	433,799	522,431	562,710	671,576	799,070

¹ Subject to revision.