

of the imports or exports in each year expressed as percentages of 1935-39 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 1935-39. 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 1935-39.

The declared value of imports showed an increase from \$1,448,792,000 in 1941 to \$1,644,242,000 in 1942, a rise of 13.5 p.c. However, if the price level of 1935-39 had prevailed in both these years, imports would have amounted to \$1,105,221,000 in 1941 and \$1,080,245,000 in 1942. This would represent a decrease of 2.3 p.c. and indicates that the effect of rising prices was beginning to be shown in the trade returns for 1942.

Three of the main groups of imports showed decreases in declared value in 1942, viz., agricultural and vegetable products, iron and its products and non-ferrous metals; these three groups also showed decreases in volume, as did animals and animal products, wood and paper and chemicals and allied products. All groups, with the exception of iron and its products, showed advances in unit values or prices.

Exports also increased in 1942, both in value and in volume. On the basis of price levels prevailing during the period 1935-39, exports would have been valued at \$1,387,900,000 in 1941 and \$1,740,220,000 in 1942. This represents an increase of 25.4 p.c., as against the actual increase, on the basis of declared values, of 45.8 p.c., indicating not only a sizeable increase in the quantity of exports, but an appreciable increase in prices. The index of unit values of iron and its products continued its rapid rise, increasing from 151.5 in 1940 to 180.5 in 1941 and to 221.8 in 1942.

The index numbers of unit values of total imports increased from 130.8 in 1941 to 151.8 in 1942, while the index of unit values of exports showed a lesser increase from 115.5 to 134.3. This would indicate a slightly less favourable position of Canada's barter terms in 1942 than in 1941, as the prices of imported goods increased to a greater degree than did those of the exports exchanged for them.

18.—Comparison of the Values and Volumes of Imports and Exports, by Main Groups, 1940-42

NOTE.—In editions of the Year Books prior to 1942, the indexes of value and volume of imports and exports were calculated on a 1936 base. These have now been re-calculated on a five-year base (1935-38=100) back to 1935, making them uniform with other indexes of the Bureau. Figures for the years 1935-39, inclusive, will be found at p. 118, Vol. I of "Trade of Canada, 1940".

Group	Imports for Consumption			Domestic Exports (Excluding Gold)		
	1940	1941	1942	1940	1941	1942
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Values as Declared						
Agricultural and Vegetable Products.....	157,250	171,835	147,740	218,263	285,709	257,778
Animals and Animal Products.....	35,366	34,846	34,931	164,724	201,731	256,726
Fibres and Textiles.....	147,329	161,139	189,066	22,696	30,820	28,932
Wood and Paper.....	38,100	36,739	38,177	348,006	387,113	389,806
Iron and Its Products.....	298,003	431,622	377,765	127,667	239,901	467,121
Non-Ferrous Metals.....	71,144	94,758	82,416	194,712	244,012	308,903
Non-Metallic Minerals.....	161,198	189,954	221,353	33,754	45,172	56,580
Chemicals and Allied Products.....	51,824	65,382	66,824	31,223	58,676	77,333
Miscellaneous.....	120,837	262,517	485,970	37,909	127,869	520,594
Totals, Declared Values.....	1,081,951	1,448,792	1,644,242	1,178,954	1,621,003	2,363,778