

15.—Imports and Exports, by Groups, According to Purpose, 1945—concluded

Group and Purpose	Imports			Domestic Exports		
	United Kingdom	United States	All Countries	United Kingdom	United States	All Countries
	\$	\$	\$	\$	\$	\$
Consumer Goods						
Foods.....	86,018	82,182,480	152,104,468	276,518,939	74,842,611	490,183,467
Beverages.....	3,896,310	1,783,057	36,324,041	169,744	21,966,154	31,438,799
Smokers supplies.....	67,705	1,191,242	1,365,824	720,125	56,043	1,358,919
Clothing.....	3,653,415	5,949,909	10,524,652	8,573,604	2,882,725	29,566,209
Household goods.....	7,417,397	24,457,464	33,368,348	645,910	938,932	11,104,809
Jewellery, timepieces, etc....	1,796,721	4,175,268	13,620,222	259,166	310,319	1,118,453
Books, educational supplies, etc.....	1,133,537	18,410,664	19,704,451	4,951,249	5,583,131	15,770,354
Recreation equipment, etc....	545,869	7,224,695	7,927,285	12,399	2,853,973	4,937,630
Medical supplies, etc.....	949,714	17,070,763	20,451,774	2,450,289	676,907	7,225,227
Other.....	522,548	2,436,788	3,131,625	154,969	41,022	3,658,058
Totals, Consumer Goods	20,069,234	164,882,330	298,522,690	294,456,394	110,151,817	596,361,925
Totals, Munitions and War Stores.....	24,292,876	105,816,827	131,057,375	141,617,036	42,183,555	286,591,941
Totals, Live Animals for Food.....	Nil	13,422	13,422	Nil	1,292,163	2,020,002
Totals, Unclassified.....	25,979,275	73,801,334	112,177,894	32,150,952	32,042,180	117,320,867
Grand Totals.....	140,517,448	1,202,417,634	1,585,775,142	963,237,687	1,196,976,726	3,218,330,353

PART III.—SUMMARY OF EXTERNAL TRANSACTIONS

Section 1.—Canadian Balance of International Payments*

Canada's special interest in a system of multilateral settlements is apparent from the structure of the Canadian balance of payments. Because of the existence before the War of free exchange markets, which provided channels of international settlement for the nations of the British Commonwealth and other overseas countries with the United States, it was possible for there to be a considerable amount of disequilibrium or "unbalance" in Canada's current accounts with the United Kingdom and the United States without any special problems of settling these balances arising. Triangular settlements such as those arising from the unbalanced state of the Canadian accounts with the United Kingdom and the United States were an integral part of the network of international commerce which had grown up over an extended period. The system of multilateral settlements made it possible to settle balances like those arising from Canada's dealings with its principal trading partners. But the War interrupted the operation of the system of multilateral settlements by creating conditions under which sterling was no longer freely convertible into United States dollars. In addition, the current accounts of the belligerent countries became distorted by wartime demands which produced greatly augmented current balances for which new methods of settlement had to be devised. In the case of Canada, the new conditions produced problems with respect to the balances of payments with both the Sterling Area and the Non-Sterling Area and the situation made exchange control necessary. Financial problems also developed arising out of the problem of the British scarcity of Canadian dollars to pay for munitions, food and other commodities which were so urgently needed for the

* Prepared by C. D. Blyth, Chief, Balance of Payments Section, International Trade Statistics Division, Dominion Bureau of Statistics, Ottawa.