

these countries showed wide diversification. Principal exports to leading countries in 1947 were as follows:—

<u>Country</u>	<u>Value</u>	<u>Item</u>
	\$'000,000	
British West Indies.....	81·7	Flour, miscellaneous food, clothing and manufactured goods.
Union of South Africa.....	66·7	Planks and boards, canned fish, automobiles and parts, paper, textiles.
Australia.....	60·3	Automobiles and parts, newsprint, planks and boards, cotton fabrics, artificial silk fabrics, aluminum.
Newfoundland.....	55·1	Flour, coal, gasoline, clothing, boots and shoes, machinery.
India.....	42·9	Flour, automobiles and parts, paper, aluminum, copper.

A very large increase in the value of exports to Latin America is indicated by the 1947 export figures. Exports to the twenty countries in this group comprised both primary and manufactured goods. The four leading countries, with principal commodities exported, were as follows:—

<u>Country</u>	<u>Value</u>	<u>Item</u>
	\$'000,000	
Argentina.....	31·7	Newsprint, crude rubber, planks and boards, sewing machines, agricultural machinery, potatoes, automobiles, aircraft, aluminum.
Brazil.....	31·7	Flour, newsprint, sewing machines, ships, lead, aluminum.
Venezuela.....	13·0	Flour, newsprint, automobiles, machinery.
Mexico.....	11·7	Newsprint, machinery, leather, agricultural machinery, railway cars.

The volume of Canadian imports has always been closely related to the level of national income and domestic prosperity. In 1947, with national income close to the wartime peak of 1944 and with the enforced restraints of wartime largely eliminated, consumer spending reached a record high. The accumulated demand was reflected in the import figures, particularly in the field of consumer goods. The increased domestic sales of goods produced in Canada resulted in increased requirements for fuels, producers' materials and capital equipment. Prosperity in the agricultural sector, in part due to the subsidizing of exports, increased the demand for imported farm machinery. The level of imports was apparently affected little by the price rise occurring throughout the year, with availability the prime consideration.

The total value of imports in 1947 approximated \$2,600,000,000, with three-quarters of the total coming from the United States. In spite of the increased production for export in other countries, the United States appears to have a firmer grip on the Canadian market than it had before the War. The Canadian demand for United States goods is the result of a combination of factors. From the 1920's, the Canadian preference for United States manufactured consumer goods, or for domestic goods on the United States pattern, has been steadily growing. This