

North America. Sterling devaluation was followed by changes in the values of most of the soft currencies throughout the world. Because of the altered situation, the Canadian dollar was reduced by about 9 p.c. in terms of the United States dollar. All these re-adjustments were designed to provide a healthier basis for the expansion of world trade.

I.—POST-WAR LOANS AND ADVANCES TO OTHER COUNTRIES BY THE CANADIAN GOVERNMENT

Country	Export Credit Loans Authorized	Net Amounts Drawn ¹			
		1945	1946	1947	1948
	\$'000,000	\$'000,000	\$'000,000	\$'000,000	\$'000,000
A. EXPORT CREDITS—					
France.....	242.5	34.9	108.9	54.6	35.4
Netherlands.....	125.0	29.8	34.2	40.6	8.4
Belgium.....	100.0	22.5	30.1	12.3	+1.1 ²
China.....	60.0	—	16.5	16.1	18.4
Norway.....	30.0	6.2	10.2	3.6	3.3
Czechoslovakia.....	19.0	0.7	3.2	8.2	4.3
Netherlands Indies.....	15.0	0.6	4.8	4.6	5.0
Union of Soviet Socialist Republics.....	3.0	9.9	1.8	—	—
TOTALS—FOREIGN COUNTRIES.....	594.5	104.6	209.7	140.0	73.7
B. LOAN TO UNITED KINGDOM.....	1,250.0	—	540.0	423.0	52.0

¹ Net amounts drawn include interim advances as well as drawings on Export Credit loans less repayments of interim advances and loans. All advances had been repaid by Dec. 31, 1947, with the exception of \$8,800,000 to the Union of Soviet Socialist Republics.

² Net repayments.

The Place of Foreign Trade in the Canadian Economy

Canada has always been heavily dependent upon outside sources for the means of her development as a nation, yet circumstances during the past three decades have greatly modified this position. Since the First World War export trade has broadened in variety from the few basic primary commodities such as wheat, lumber, metals, etc., and, although these still predominate, they are by no means as important relatively as they once were. This fact has enabled Canadians to improve their standard of living considerably since the greater variety of exports has been based on a diversified production for domestic use as well.

Canada in 1948 was the fourth largest importing nation in terms of the value of commodities received. Only the United Kingdom, the United States and France held higher rank. On a per capita basis Canada out-ranked all these countries with \$205 of imports per capita compared with \$167 for the United Kingdom, \$81 for France and \$48 for the United States.

The influences that have contributed to this result are varied. For instance, much of the increase in dollar value is due to the rise in prices (see pp. 942-943). Again the general level of business activity throughout the world, especially in those countries with which trade is carried on, is a most important factor in the demand for goods, and this has remained high ever since the War. Finally, the advances in industrialization in Canada have increased the need for imported goods in many directions although they have also decreased the need in others: on balance, however, the result has certainly not been on the side of a reduction.