

The core of Canada's import trade is still such commodities as fuels, steel, mechanical equipment, textiles, and foodstuffs from tropical and semi-tropical climates, as shown in the following statement. The leading exports of many decades ago are still recognizable, although in several cases (e.g., newsprint) they have taken on more complete manufactured forms.

<i>Principal Imports</i>	\$'000	<i>Principal Exports</i>	\$'000
Petroleum, crude and refined.....	292,734	Newsprint paper.....	383,123
Machinery, except agricultural.....	217,091	Wheat.....	243,023
Coal.....	186,388	Wood-pulp.....	211,564
Farm implements and machinery.....	139,993	Planks and boards.....	196,023
Automobile parts.....	101,261	Flour of wheat.....	125,151
Rolling-mill products.....	83,929	Aluminum and products.....	102,046
Cotton products.....	78,518	Fish and fishery products.....	85,028
Sugar and products.....	71,752	Ships and vessels.....	81,448

The Canadian economy is linked closely with that of the United States and in view of the extent to which industry has developed in that country and the huge domestic market to which it caters (and therefore the relative cheapness with which goods can be marketed), it is natural that Canadians, with their many close contacts and in many cases similar habits and tastes, should be large importers of United States goods, even in the face of tariff barriers. Again, the tariff has frequently served only to bring United States branch factories to Canada and so Americanize industry to a greater extent than ever. Since the present scale of United States imports must be paid for by exports and since the position in regard to the United Kingdom has made it impossible at present to retain our traditional market there, it is imperative that reliance be placed on broadening export outlets in other directions. This is the most pressing problem that currently faces Canadian export trade.

PART 1.—FOREIGN TRADE STATISTICS*

Section 1.—Explanations *re* Canadian Trade Statistics

Certain problems of procedure arise in recording trade statistics and require explanation. For the correct interpretation of the statistics of foreign trade, it is necessary that the following definitions and explanations of terms used be kept in mind:—

Quantities and Values.—In all tables of imports and exports, the quantities and values are based upon the declarations of importers (import entries) and exporters (export entries), as subsequently checked by customs officials.

Imports: Valuation.—“Imports” means imports entered for consumption. “Entered for consumption” does not necessarily imply that the goods have been actually consumed in Canada, but that they have passed into the possession of the importer and that duty has been paid on that portion liable for duty.

Under the main provisions of the law, the value of merchandise imported into Canada is the fair market value or price thereof when sold for home consumption in the principal markets of the country from which said merchandise was exported. (See Sects. 35 to 45 and 55 of the Customs Act.)

* This Part of the Chapter is based on statistics taken from reports published by the External Trade Section, International Trade Division, Dominion Bureau of Statistics.