

**19.—Declared Values, Prices and Physical Volume of Foreign Trade
by Commodity Groups, 1946-48 compared with 1938—concluded**

Commodity Groups ¹	1946	1947	1948	P.C. Change 1947 Over 1946	P.C. Change 1948 Over 1947
	VOLUME INDEXES—concluded (1938=100)				
Exports of Domestic Produce—					
Agricultural and other primary products.....	161.7	164.9	162.2	+ 2.0	- 1.6
Fibres and textiles.....	260.1	186.7	147.9	-28.2	-20.8
Wood products and paper.....	160.8	184.7	185.7	+14.9	+ 0.5
Iron and steel and their products.....	263.6	290.8	313.2	+10.3	+ 7.7
Non-ferrous metals and their products.....	105.3	104.9	116.3	- 0.4	+10.9
Non-metallic minerals and their products.....	195.5	218.2	245.5	+11.6	+12.5
Chemicals and fertilizer.....	317.5	373.5	317.7	+17.6	-14.9
Miscellaneous.....	214.0	200.6	180.9	- 6.3	- 9.8
✓ Totals, Exports².....	162.2	171.4	172.9	+ 5.4	+ 0.9

¹ Groups, though classified by component material, differ slightly from conventional groups (see text, p. 943).

² Excludes: imports for the use of the United Kingdom Government; temporary imports for exhibition or competition; and monetary and non-monetary gold.

³ Excludes: exports of foreign produce; temporary exports for exhibition or competition; and monetary and non-monetary gold.

The relative significance of changes in price and volume of exports and imports in 1948 as compared with 1947 is shown by the following statement:—

Item	1947	1948	Increase of Value	P.C. Increase of Price	P.C. Change of Volume
	\$'000,000	\$'000,000	\$'000,000		
Domestic exports ¹	2,774.9	3,075.4	300.5	9.9	+ 0.9
Imports for consumption ¹	2,570.9	2,634.6	63.7	12.9	- 9.3

¹ Totals adjusted according to the price indexes (see footnotes 2 and 3, Table 19).

The relative levels of these import and export price indexes are significant to the extent that they indicate a change in the net 'barter terms' ratio to have occurred in 1948. Prices of exports have increased, on the average, at a rate which is less than the rate of increase of import prices. Assuming that 100 units of exports of domestic produce would have purchased 100 units of imports for consumption in 1938, this 100 units of exports would have obtained 102.5 units of imports in 1946, 101.3 units of imports in 1947, but only 97.5 units of imports in 1948. The barter terms, however, may be said to have become unfavourable in 1948 in a sense limited by the fact that re-export prices are not taken into account.

PART II.—EXTERNAL TRANSACTIONS*

Section 1.—Canadian Balance of International Payments

Canada's balance of payments in recent years has been subject to wide fluctuations which were particularly marked during 1947 and 1948. The current account surplus of exports of goods and services to all countries rose rapidly to \$453,000,000 in 1948 from the low level of \$47,000,000 reached in the year 1947. Most of the increase in exports of goods and services in 1948 resulted from higher

* Prepared in the International Payments Section, International Trade Division, Dominion Bureau of Statistics.