

was restricted by credit controls. Greater sales to Japan, again especially of grains, were largely responsible for the increase in exports to "other" countries. Sales to the United States, on the other hand, were relatively stable in the period 1950-52, while those to Commonwealth countries were restricted by exchange shortages.

The major share of Canada's import requirements for defence and investment goods is provided by the United States, and that country's share of Canada's imports rose steadily in 1951 and 1952. The shares of most overseas countries, except those of Latin America, declined, especially in 1952 when the slump in Canadian demand for textiles and the collapse of the prices of many Commonwealth goods was a restricting influence. In 1950, the year of most even balance in Canada's trade in the post-war period, the sum of export and import balances with all countries equalled only 11 p.c. of Canada's total trade. By 1952, as a result of these differing changes in the direction of exports and imports, the sum of individual export and import balances reached 24 p.c. of total trade.

2.—Percentage Distribution of Trade, by Leading Countries and Trading Areas, 1950-52

Item and Year	United States	United Kingdom	Europe	Commonwealth and Ireland	Latin America	Others
	p.c.	p.c.	p.c.	p.c.	p.c.	p.c.
Total Exports—						
1950.....	65.0	15.0	6.1	6.3	4.6	3.0
1951.....	58.9	16.0	8.7	6.7	5.3	4.4
1952.....	53.9	17.3	10.9	6.6	6.3	5.0
Imports—						
1950.....	67.1	12.7	3.3	7.6	6.7	2.6
1951.....	68.9	10.3	4.3	7.5	6.7	2.3
1952.....	73.9	8.9	3.8	4.6	7.0	1.8
Total Trade—						
1950.....	66.0	13.8	4.7	7.0	5.7	2.8
1951.....	64.0	13.1	6.5	7.1	6.0	3.3
1952.....	63.5	13.2	7.5	5.6	6.7	3.5

While trade controls have hampered Canadian exporters in varying measure ever since the War, the influence of one particular control was especially evident in 1952. When foot-and-mouth disease was discovered in Western Canada early in the year the United States and several other countries imposed bans on the importation of live stock, fresh meat and fodders from all or parts of Canada. Part of the trade lost thereby was compensated for by an intergovernmental arrangement with the United Kingdom and New Zealand, whereby Canadian beef replaced New Zealand beef in the British market and some New Zealand beef was sold in the United States. The disease was brought under control by mid-year and, by March 1953, normal trade in these commodities was again possible. However, the value of exports of cattle and beef totalled only \$34,600,000 in 1952 as compared with \$114,000,000 in the preceding year. This factor had a noticeable effect on the share of Canada's exports taken by the United States in 1952.

Changing Trade Trends.—During 1952, there was a marked change in the trend of Canada's trade and the new situation continued into 1953. In the latter half of 1951, the volume of Canada's imports had declined. Falling prices were responsible for some of this decline, as purchases were postponed in expectation