

In 1959, influenced mainly by rising demand for industrial materials in the United States, total exports rose 5.1 p.c. to \$5,179,400,000, the highest value on record. Imports, with most of the increase taking place in capital equipment and consumer durables, rose 8.9 p.c. to \$5,654,400,000 and were only fractionally below the record value reached in 1956. The import balance, which in 1957 declined moderately from the 1956 peak of \$842,300,000 and in 1958 fell markedly to \$266,100,000, increased in 1959 to \$475,000,000.

The export price index rose 2.0 p.c. to 123.0 (1948=100) in 1959, while the average import price level declined by 1.6 p.c. to 114.6, with the resulting improvement in the terms of trade. Since the average export price level went up only slightly, a greater part of the increase in the value of exports can be attributed to a larger volume of export shipments, which was some 3 p.c. higher than in 1958. On the other hand, in view of the small decline in the import price index, the volume of imports rose by some 11 p.c., even more than the value of import shipments. On a seasonally adjusted basis, total exports declined in the first quarter of 1959 from the level of the fourth quarter of 1958, rose in the second quarter of the year, decreased very slightly in the third and were at their highest recorded level in the fourth quarter of 1959. Seasonally adjusted imports were at about the same level in the first quarter of 1959 as in the last quarter of 1958, rose in the second quarter and, following a very slight decline in the third, moved up a little in the fourth quarter of 1959 to just under the level of the second three-month period of the year.

1.—Summary Statistics of Canadian Trade, 1955-59

Item	1955	1956	1957	1958	1959	Change	
						1957 to 1958	1958 to 1959
	\$'000,000	\$'000,000	\$'000,000	\$'000,000	\$'000,000	p.c.	p.c.
Value of Trade—							
Domestic exports.....	4,281.8	4,789.7	4,824.2	4,823.3	5,060.7	1	+ 4.9
Re-exports.....	69.5	73.4	95.3	102.9	118.7
Imports.....	4,712.4	5,705.4	5,623.4	5,192.4	5,654.4	- 7.7	+ 8.9
Total Trade.....	9,063.7	10,568.6	10,542.9	10,118.6	10,833.8	- 4.0	+ 7.1
Trade Balance.....	-361.1	-842.3	-703.9	-266.1	-475.0
Price Indexes (1948=100)—							
Domestic exports.....	117.7	121.4	121.0	120.6	123.0	- 0.3	+ 2.0
Imports.....	110.5	113.0	116.4	116.5	114.6	+ 0.1	- 1.6
Volume Indexes (1948=100)—							
Domestic exports.....	118.3	128.3	129.7	130.3	134.1	+ 0.5	+ 2.9
Imports.....	160.3	190.0	182.5	168.3	186.2	- 7.8	+10.6

¹ Less than 0.1 p.c.

The increase in the value of exports to the United States in 1959 exceeded that in the export total to all countries by about one-sixth. Exports to the United Kingdom more than held their own and an increase of one-third was registered in exports to Japan. However, there was some decline in exports to the Commonwealth and Latin America and a more marked drop in exports to Europe. The increase in imports from the United States accounted for over half of that in the import total from all countries. Considerable increases were registered for imports from the United Kingdom, the Commonwealth and Europe and imports from Japan were almost 50 p.c. higher, but imports from Latin America were slightly reduced.