

In relative terms, in 1959 the United States provided a market for 62.1 p.c. of Canada's total exports as compared with 59.2 p.c. in 1958. The proportion of Canadian exports going to the United Kingdom declined from 15.8 p.c. to 15.4 p.c., and the export shares of the Commonwealth, Europe and Latin America were reduced, respectively, from 6.0 p.c. to 5.5 p.c., from 11.6 p.c. to 9.5 p.c. and from 3.7 p.c. to 3.4 p.c. The United States was in 1959 the source of 67.7 p.c. of Canada's imports as against 68.8 p.c. in 1958. The proportion of Canadian imports coming from the United Kingdom went up from 10.2 p.c. to 10.5 p.c. The import share of the Commonwealth rose from 4.1 p.c. to 4.4 p.c., the share of Europe remained unchanged at 6.2 p.c. and the share of Latin America was reduced from 6.7 p.c. to 6.0 p.c.

The importance of foreign trade to the Canadian economy is reflected in the relatively high ratio of exports and imports to the gross national product, as well as in the leading position this country holds among the major trading nations of the world. On a per capita basis, Canada normally ranks ahead of almost every other country—in 1957 Canada was second only to New Zealand and in 1958 to Belgium and Luxembourg. In absolute terms, in recent years Canada has ranked fourth in value of total trade, following the United States, the United Kingdom and the Federal Republic of Germany.

2.—World Trade, by Leading Countries, 1957 and 1958

Sources: International Monetary Fund, *International Financial Statistics*, September 1959; and United Nations Statistical Office, *Population and Vital Statistics Reports*, Series A, Vol. XI, Nos. 2 and 3.

Country	1957			1958			Population mid-1958	Trade per Capita	
	Exports f.o.b.	Imports c.i.f.	Total Trade	Exports f.o.b.	Imports c.i.f.	Total Trade		1957	1958
	U.S.\$ '000,000	U.S.\$ '000,000	U.S.\$ '000,000	U.S.\$ '000,000	U.S.\$ '000,000	U.S.\$ '000,000		'000	U.S.\$
United States.....	20,862	14,297	35,159	17,862	13,986	31,848	177,184	202 ¹	180 ¹
United Kingdom.....	9,684	11,412	21,096	9,395	10,583	19,978	51,925	408	385
Germany, Federal Republic	8,575	7,499	16,074	8,807	7,361	16,168	54,380	299	297
Canada.....	5,456	6,346	11,802	5,440	5,790	11,230	17,048	711	659
France.....	5,111	6,174	11,285	5,122	5,604	10,726	44,521	256	241
Netherlands.....	3,098	4,105	7,203	3,218	3,625	6,843	11,173	654	612
Belgium and Luxembourg..	3,186	3,432	6,618	3,046	3,129	6,175	9,373	711	659
Japan.....	2,858	4,284	7,142	2,877	3,033	5,910	91,760	79	64
Italy.....	2,550	3,674	6,224	2,536	3,169	5,705	48,739	128	117
Sweden.....	2,137	2,428	4,565	2,088	2,366	4,454	7,415	619	601
Venezuela.....	2,366	1,868	4,234	2,321	1,599	3,920	6,320	690	620
Australia.....	2,203	1,945	4,148	1,663	2,057	3,720	9,846	430	378
World Total².....	161,031	168,239	209,270	96,068	100,727	196,795	1,905,000	113	103

¹ Includes military aid extended to other countries.

² Excludes China, Union of Soviet Socialist Republics, and the communist countries of Eastern Europe (except Yugoslavia).

Main Commodity Changes.—*Exports.*—Metals and minerals and forest products contributed most to the over-all export increase in 1959. Exports of iron and products, stimulated by the prolonged steel strike in the United States, registered the largest relative gain of 30.3 p.c. among the main commodity groups and reached a record postwar value of \$563,300,000. In contrast to 1958 when all the leading iron and steel products except farm implements lost ground, increases took place in 1959 in every major commodity of this group. Rolling-mill products, which declined somewhat in the previous year, increased in value by 68.1 p.c. to \$53,500,000. Iron ore, which fell by almost one-third in 1958, went up by 46.6 p.c. to \$157,800,000 and accounted for over one-fifth of the total export gain in 1959. Farm implements and machinery rose by 17.5 p.c. to \$110,200,000 or at about half the rate of increase in the previous year. Engines and boilers, up by 17.9 p.c., exceeded somewhat the level of 1957. Non-farm machinery showed some increase but not nearly enough to regain the ground lost in 1958. Pigs, ingots, blooms and billets