

Over the five-year period from 1956 to 1960, export and import prices remained relatively steady. During 1960, the average price levels of domestic exports and of imports showed small advances and, as import prices increased more than export prices, the terms of trade were slightly less favourable. The physical volume of domestic exports rose at approximately the same rate as their value and the physical volume of imports declined somewhat more than their value. Table 1 traces the movements in Canadian trade totals and in the indexes of price and volume over the past five years, and also shows percentage changes during 1958 and 1959.

1.—Summary Statistics of Canada's Foreign Trade, 1956-60

Item	1956	1957	1958	1959	1960	Change	
						1958 to 1959	1959 to 1960
	\$'000,000	\$'000,000	\$'000,000	\$'000,000	\$'000,000	p.c.	p.c.
Value of Trade—							
Total exports.....	4,833.8	4,884.1	4,894.3	5,140.3	5,395.3	+ 5.0	+ 5.0
Domestic exports.....	4,760.4	4,788.9	4,791.4	5,021.7	5,264.1	+ 4.8	+ 4.8
Re-exports.....	73.3	95.3	102.9	118.6	131.2
Imports.....	5,547.0	5,473.3	5,050.5	5,508.9	5,492.3	+ 9.1	- 0.3
Total Trade.....	10,380.7	10,357.5	9,944.8	10,649.2	10,887.6	- 7.1	+ 2.2
Trade Balance.....	-713.2	-589.2	-156.1	-368.6	-97.1
Price Indexes (1948=100)—							
Domestic exports.....	121.4	121.0	120.6	122.8	123.2	+ 1.8	+ 0.3
Imports.....	113.0	116.4	116.5	114.4	116.1	- 1.8	+ 1.5
Terms of trade.....	107.4	104.0	103.5	107.3	106.1	+ 3.7	- 1.1
Volume Indexes (1948=100)—							
Domestic exports.....	128.5	129.3	130.4	134.2	140.3	+ 2.9	+ 4.5
Imports.....	187.5	179.6	165.6	183.9	180.7	+11.1	- 1.7

¹ Revised to cover the adjustment for "Special Transactions—Non-Trade" (see p. 967).

The general trend of Canada's trade during the past decade is pictured in the chart on p. 960 and the higher level of both exports and imports attained during the past five years is noticeable. Canada, as one of the leading countries engaged in world trade, is vitally concerned with economic developments in the international field. Following the very large increases in 1955 and 1956, the total value of Canadian trade reached a new plateau. In 1957 and 1958 exports were virtually unchanged and there was considerable decline in imports in 1958 but in 1959 and 1960 exports began climbing again and imports generally regained their earlier level.

During 1959 and extending into the first part of 1960, international trade and economic activity increased among the more industrialized nations—particularly in Western European countries, the United States and Japan. The latter part of 1960 saw some decline in production in the United States and the United Kingdom, and in Western Europe and Japan the rate of advance was slower toward the close of the year. In addition, the primary producing countries were confronted with a considerable decrease in the purchasing power of their basic export commodities. Nevertheless, Canadian exports to most main regions and to practically all leading countries, with the exception of the United States, India and Venezuela, expanded in 1960.

In 1960, Canada's export trade showed some changes in direction, with smaller shipments to the United States and 20 p.c. more to overseas areas. During that year, 56.3 p.c. of total exports went to the United States as contrasted with 61.9 p.c. in 1959. The United Kingdom's share was 17.1 p.c., an increase from 15.4 p.c. in 1959, and other Commonwealth countries took 6.2 p.c. in 1960 as against 5.4 p.c. in 1959. European countries absorbed 11.8 p.c., over 2 p.c. more than in 1959, reflecting the general increase in economic growth there. The share of exports forwarded to Latin America remained approximately the same and the increased proportion taken by other countries mainly represented larger purchases by Japan.