

the enhanced value of exports was attributable mainly to the greater volume of goods moved, especially in the second half of the year. Import prices rose modestly during the same period, except for a 1.8-p.c. decrease in 1959. Following the mid-1961 decline in the foreign exchange value of the Canadian dollar, the average index of import prices advanced considerably and for the year showed an increase of 3.2 p.c. over the 1960 level, while the index of physical volume of imports rose by 2.0 p.c. Table 1 traces the movements in Canadian trade totals and in the indexes of price and volume over the five years 1957-61, and also shows percentage changes during 1960 and 1961.

1.—Summary Statistics of Canada's Foreign Trade, 1957-61

Item	1957	1958	1959	1960	1961	Change	
						1959 to 1960	1960 to 1961
	\$'000,000	\$'000,000	\$'000,000	\$'000,000	\$'000,000	p.c.	p.c.
<b>Value of Trade—<sup>1</sup></b>							
Total exports.....	4,884.1	4,894.3	5,140.3	5,386.8	5,895.7	+ 4.8	+ 9.4
Domestic exports.....	4,788.9	4,791.4	5,021.7	5,255.6	5,755.5	+ 4.7	+ 9.5
Re-exports.....	95.3	102.9	118.6	131.2	140.2	—	—
Imports.....	5,473.3	5,050.5	5,508.9	5,482.7	5,771.0	- 0.5	+ 5.3
<b>Total Trade.....</b>	<b>10,357.5</b>	<b>9,944.8</b>	<b>10,649.2</b>	<b>10,869.5</b>	<b>11,666.8</b>	<b>+ 2.1</b>	<b>+ 7.3</b>
<b>Trade Balance.....</b>	<b>-589.2</b>	<b>-156.1</b>	<b>-368.6</b>	<b>- 95.9</b>	<b>+124.7</b>	<b>...</b>	<b>...</b>
<b>Price Indexes (1948=100)—</b>							
Domestic exports.....	121.0	120.6	122.8	123.0	124.2	+ 0.2	+ 1.0
Imports.....	116.4	116.5	114.4	115.5	119.2	+ 1.0	+ 3.2
Terms of trade.....	104.0	103.5	107.3	106.5	104.2	- 0.7	- 2.2
<b>Volume Indexes (1948=100)—</b>							
Domestic exports.....	129.3	130.4	134.2	140.2	152.1	+ 4.5	+ 8.5
Imports.....	179.6	165.6	183.9	181.3	184.9	- 1.4	+ 2.0

<sup>1</sup> Revised to cover the adjustment for "Special Transactions—Non-Trade" (see p. 949).

The general trend of Canada's trade during the ten years 1952-61 is also shown in the chart on p. 943 and the higher level of both exports and imports attained during the latter half of the period is noticeable. Large increases were made in 1955 and 1956, the total value of Canadian trade reaching a higher plateau. In 1957 and 1958, exports were virtually unchanged and there was a considerable decline in imports in 1958, but in 1959 and 1960 exports again climbed and imports generally regained their earlier level. During most of 1961 there was an upward trend in both export and import trade, particularly in the last six months, resulting in new record heights for each in this year.

During the first part of 1960, international trade and economic activity had increased among the industrial nations, but the rate of growth lessened in the latter half. Then in 1961 there was an added intensification of competition in the international trade field, surpluses in raw materials and in many manufactured goods taking the place of former scarcities. Economic activity in the United States reached a low point in February and then showed a steady advance, except for a pause in September. Output and demand rose in Britain during the first six months of 1961 but tended to level off in the second half. The volume of output in Western Europe and Japan increased but the rate of expansion was somewhat slower. The value of commodities traded by leading countries in 1961 remained high, but purchasers could afford to be more selective than in previous years. Nevertheless, Canadian exports exceeded those in any preceding year, although concentrated more in shipments to foreign rather than Commonwealth countries.