

over one-third less. Newsprint was the chief Canadian export to the United States but shipments were fractionally less than in 1960. Wood pulp and lumber were next, sales of the former advancing by 5.0 p.c. and of the latter by 2.4 p.c. Uranium and crude petroleum followed, a decline in the first counterbalancing an increase in the second. Nickel was sixth and fish and fishery products, iron ore, alcoholic beverages and farm machinery completed the list of the ten most important exports. Shipments of iron ore, which had declined severely in the first six months, rallied in the third quarter and nearly doubled in the last quarter; however, for the year they were 9.4 p.c. below the 1960 total.

Domestic exports to Britain at \$908,837,000 were 0.7 p.c. less than the 1960 total of \$915,290,000, a large decline in the second quarter and a fractional one in the third outweighing gains in the first and fourth quarters. There were considerable advances in the sales of nickel and precious metals and wheat and tobacco also increased. However, considerably lower quantities of aluminum, iron ore, uranium, zinc, and grains were forwarded during 1961. Wheat remained the leading product, followed by nickel, aluminum, copper and newsprint; lumber, wood pulp, precious metals, tobacco and seeds were next in importance.

Exports to Commonwealth and preferential countries, other than Britain, totalled \$328,900,000 or 1.5 p.c. less than in 1960. Australia was the main market, 1961 shipments being valued at \$78,628,000 or approximately one-fifth below the previous year. Sales of lumber, wood pulp and newsprint declined, as did those of engines and boilers and aluminum, although sales of machinery increased. India came next, exports increasing by 16.5 p.c. to \$42,885,000, composed mainly of wheat, wood pulp, engines, aluminum, zinc and copper. Shipments to South Africa decreased by 28.2 p.c., totalling \$37,819,000 in 1961, but exports to New Zealand rose by 30.5 p.c. to \$31,125,000. There were also larger wheat and wood pulp shipments to Pakistan, aircraft and more wheat flour to Ghana, and more plastics and synthetic rubber to Hong Kong.

Domestic exports to all other countries aggregated \$1,408,700,000, an increase of 29.3 p.c. over the 1960 figure of \$1,089,700,000. Of these exports, \$640,300,000 in 1961 were consigned to Western Europe, a rise of 9.7 p.c. over the previous year's total of \$583,900,000. West Germany was the principal destination, that country purchasing \$212,753,000 of Canadian produce and thus accounting for almost one-third of Canada's trade with Western Europe in 1961. Belgium and Luxembourg, France, Norway and Italy followed. There was a large gain in shipments to Germany and considerable advances in exports to Belgium and Norway, while those to Italy and France declined slightly from 1960 figures. The European Common Market countries purchased \$488,965,000, an increase of 11.5 p.c. over the 1960 total of \$438,582,000. Sales to Eastern Europe rose to \$97,500,000, chiefly attributable to substantial shipments of wheat.

Also contributing to the rise in shipments to other foreign countries were exports to Asia which increased by over three-quarters to \$384,600,000, of which those to Japan, at \$231,574,000 and to Communist China at \$125,448,000, were the most important. Trade with Japan, Canada's third customer, rose by 29.5 p.c. and was spread over many items, but consisted chiefly of wheat, lumber and basic industrial materials. Shipments to Communist China were mainly wheat and barley.

Exports to Latin America increased by nearly one-quarter, those to South America being valued at \$140,500,000 and to Central America and the Antilles at \$104,900,000. Mexico, Venezuela, Cuba, Argentina and Brazil were the main markets in 1961 and the chief gains were in shipments to the last three. Exports to Middle East countries also advanced, rising 11.6 p.c. to \$25,900,000 while exports to other African countries increased slightly to \$11,400,000.

Imports.—For many years, iron and its products have accounted for over one-third of total imports and non-farm machinery and parts have headed the list of principal commodities. Automobile parts, crude and partly refined petroleum, electrical apparatus, passenger cars, engines and boilers, rolling-mill products (iron and steel), tractors and