



Through most of the 1950's the share of Canadian exports going to countries other than the United States fell back from half or better during the postwar reconstruction phase to an average of around 40 p.c. In 1960 and 1961 it rose to 44 p.c. and 46 p.c., respectively, as a result of rising overseas shipments, particularly of wheat. In 1962 the latter item declined somewhat and a rise in exports of products sold mainly in the United States market, such as oil and gas, iron ore, aluminum and certain manufactured goods, increased that country's share to 59 p.c. In 1963, owing to the increase in wheat and flour exports to overseas countries, to greater strength in forest products and uranium to Britain and to higher exports of manufactured goods, the overseas share recovered to 44 p.c.

Merchandise imports, which fell off during the second half of 1962 for a combination of reasons partly associated with the earlier revaluation of the Canadian dollar and the imposition of import surcharges, changed comparatively little in the early months of 1963. Then, following the removal of the last remaining import surcharges in March and as a result of increasing buoyancy in the Canadian economy, they rose steadily and strongly during the remaining months of the year. The increase for the year of \$300,400,000 or 5 p.c. was less than the 8-p.c. increase in 1962; however, because of an almost equal increase in import prices, the rise in physical volume of imports appears to have been less than 1 p.c. compared with 4 p.c. in 1962. In contrast to the extensive rise in exports, imports which reached their low point in 1958 rose by only 30 p.c. in value and about 15 p.c. in volume in the succeeding five years. From Table 2, which shows imports on an end-use basis, it is seen that the distribution of the 1963 increase by commodity groupings follows a rather different pattern than in the previous year. Over one third of the increase occurred in the food and beverages group and was attributable mainly to the sharp advance in the prices of sugar and some fruits. Industrial materials, automobiles, fuels and lubricants were moderately stronger but investment goods remained about the same as in 1962. The behaviour of the latter group was rather surprising in view of the general buoyancy in the economy; in fact,