

Regional Trade Pattern Trends, 1955-64

(Average annual percentage increases in value)

From—	To—	Canada	United States	EFTA	EEC	Japan	Soviet Bloc, China	Developing Countries	All Countries
		p.c.	p.c.	p.c.	p.c.	p.c.	p.c.	p.c.	p.c.
Canada.....	—	—	5.3	4.4	9.3	16.8	103.6	7.9	6.5
United States.....	5.0	—	—	7.6	10.6	15.7	106.2	6.1	6.5
EFTA.....	4.6	8.4	8.6 ¹	8.2	27.0	—	11.5	2.7	6.5
EEC.....	11.9	11.2	8.7	12.5 ¹	19.8	—	14.8	3.7	9.5
Japan.....	17.6	17.9	19.5	16.6	—	39.9	—	11.4	14.5
Soviet Bloc, China.....	15.5	7.5	7.2	12.9	22.9	7.5 ¹	—	18.2	9.0
Developing countries.....	7.8	1.4	2.9	5.6	12.4	14.7	—	2.4 ¹	4.3
All Countries.....		5.7	5.5	6.5	9.7	14.7	9.5	5.0	7.1

¹ Includes exports from one country to another within group.

Meanwhile, the Middle East oil-producing countries quadrupled their exports as well as their imports. Since purchases were less than one third of sales in 1953, their trade surplus by 1964 climbed to \$5.3 billion on imports of \$2.3 billion; they supplied 4.2 p.c. of world trade but received 1.2 p.c. in return. On the other hand, except for the pick-up in 1963-64, exports of Australia, New Zealand and South Africa—mostly of wool and other farm products—grew very slowly; this tended to limit import growth, except in 1960 and in the recent development boom. The less-developed countries of Asia, Africa and Latin America had similar experiences of very slow growth in sales—under 60 p.c. for the whole period. This sluggishness was concentrated in tropical foods and agricultural materials and was reflected in declining prices and accentuated by the unstable political and social milieu. The effect was multiplied in that these countries increased sales less to each other, even though neighbours, than to the advanced countries—the opposite of Western European experience.

In summary, the developing countries increased supply to the world even less than their small increase in demand. Most of the trade growth was among the advanced countries, with the fastest growing economies (including those recovering from World War II damage) showing even stronger gains as suppliers than as recipients.

Canada's Share in World Commodity Markets

Canadian exports have moved from year to year in accordance with the general trend of world trade, although from 1959 to 1963 the one-fifth rise in Canadian exports was appreciably slower than the one-third increase in world exports. In 1964 and again in 1966 Canadian exports increased somewhat faster than the world total, which was in part the effect of exceptional demand in Russia and China for Canadian wheat. The relatively moderate expansion of Canadian exports at the beginning of the decade may be attributed in part to the existing high level of postwar sales in contrast to the war-damaged economies as well as to the concentration of direction and to the commodity composition.

Canadian exports are adjusting rapidly to changes in demand although they still exhibit substantial variations from the unfolding pattern of world imports. In 1965 inedible end-products accounted for one sixth of Canadian exports compared with 9 p.c. in 1960; in 1966 this share rose sharply to reach one quarter of all exports as 1967 began. This is a remarkable share increase, particularly in view of the rising total of Canadian exports. If one considers, moreover, that the share of products in world trade increased from about 29 p.c. to 33 p.c. in this period, it becomes evident that the make-up of Canadian exports is shifting heavily to the commodity groups that have shown most growth in the past dozen years. This picture is amplified somewhat by a glimpse at the trends in major sectors within the commodity groups.