



Agricultural products and crude materials are still important in Canadian exports, forming nearly half of all shipments in 1965. Generally these primary products form only 30 p.c. of world imports, having declined continually from earlier pre-eminence. But if over-all trade in food has moved slowly, this cannot be said of meat, fish and alcoholic beverages nor of cereals. All of these loom large in foreign purchases from Canada in contrast to slow-moving items such as sugar and tropical beverages. Moreover, if there is a genuine freeing of trade in food, Canada might fare even better.

Canada's specialization in mineral and forest products as distinct from textile fibres, oilseeds, rubber and similar tropical or pastoral products again modifies the impact of sluggish markets for crude materials. The former are in fairly strong demand, being oriented to the buoyant industrial markets for durables, construction and packaging. Within the less buoyant group, it is apparent that man-made fibres and rubber have accentuated the stagnation of natural products and this also has favoured Canada to a certain degree. In the energy sector, the further discovery of oil and gas in Western Canada and the wider use of these materials throughout North America have improved Canada's fuel position quite notably.

Conversely, in the further-manufactured groups, Canada's exports have been conditioned until recently not only by specialization in a few resource-related sectors but also by the general organization of end-products and semi-fabrication industries inside the protected domestic market.

On the one hand, Canada is famous for newsprint and non-ferrous metals and world demand for these commodities has increased at a moderate pace. But world trade in semi-fabricated metals, paperboard, fine papers and chemicals has grown faster. Even more so have exchanges in machinery and equipment, where Canada's participation until recently