

Table 18.27 shows the value and volume of sales of alcoholic beverages in the years ended March 31, 1974 and 1975. The value does not always represent the final retail selling price of alcoholic beverages to the consumer because in some cases only the selling price to licensees is known. Volume of sales is a more realistic indicator of trends in consumption, but as a measure of personal consumption by Canadians it is subject to the same limitations as value sales and includes, in addition, purchases by non-residents.

Government revenue specifically related to alcoholic beverages and details of sales by value and volume for each province are given in Table 18.28. A Statistics Canada publication, *The control and sale of alcoholic beverages in Canada* (Catalogue No. 63-202) shows further detail as well as volume figures of production and warehousing transactions, the value and volume of imports and exports and the assets and liabilities of provincial liquor commissions.

## 18.2 International trade

### 18.2.1 Summary

Canadian imports totalled \$34.6 billion in 1975 and exceeded total exports of \$33.1 billion by \$1.5 billion giving the first deficit in 15 years (Table 18.29). Trade balances are given on a "Customs" basis, based on data tabulated from Customs documents according to procedures and concepts explained in 18.2.4 Sources of Statistics. Trade balances are also available on a "balance-of-payments" basis, reflecting a number of adjustments applied to the Customs total to make them consistent with the concepts and definitions used in the system of national accounts.

The recession which started in 1974 had a more immediate and severe effect on Canadian exports of raw and fabricated materials than on imports to Canada of manufactured goods. This was a major factor in the decline of the Canadian merchandise trade balance in 1974 and in the deficit in 1975. The value of trade more than doubled for imports and almost doubled for exports between 1971 and 1975. The period of most rapid growth in value was 1973 and 1974 when price inflation, particularly for crude petroleum and related energy products, was at its highest.

Of 1975 import value, 60% was accounted for by end products (Table 18.30). Crude materials accounted for 15%, fabricated materials for 17%, and food, feed, beverages and tobacco for 8%. Largest commodity import groups were automobiles, trucks and parts 23.5%, crude petroleum 9.5%, industrial machinery 9.3%, chemicals 4.3% and agricultural machinery 3.6%. Principal sources of 1975 imports were the United States, 68%, the United Kingdom, 3.5%, other European Economic Community (EEC) countries, 6.0% and Japan, 3.5% (Table 18.34).

Import value more than doubled in the period 1971 to 1975. Much of this growth was due to a nearly 60% increase in prices, yielding a 41% growth in volume, measured in terms of 1971 prices (Table 18.36). Import volume slackened in 1974 to a rate of 10% from a rate of 16% in 1972 and 1973 and declined 5.4% in 1975.

The largest increase in import prices since 1971 took place in 1974 when a 23.4% rise was experienced. The main contributors to the 1974 price increase were crude materials which jumped 121.3% (crude petroleum being a major factor) and fabricated materials which increased 33.7%. End product prices also started to accelerate in 1974. They increased 10% in 1974 and 17% in 1975.

End products, although much less important for exports than for imports, formed the largest export section, accounting for 32% of total value in 1975 followed closely by fabricated materials with 30% and crude materials with 25%. Food, feed, beverages and tobacco accounted for 12% (Table 18.31). Largest commodity export groups were automobiles, trucks and parts 19.6%, lumber, wood pulp and newsprint 15.5%, crude and fabricated metals including ores and