

a balance-of-payments basis. The data in the statistical tables of this chapter are on a balance-of-payments basis unless otherwise indicated.

21.5.2 Highlights of international trade, 1982-86

The value of imports increased 7.5% in 1986 (Table 21.2) to \$110.5 billion, following increases of 12.3% in 1985 and 25.2% in 1984. In the 1982-86 period, the value of imports increased at an average of 8.2% annually, compared with an annual increase of 9.4% in the period 1979-83.

The value of exports remained virtually unchanged, rising only 0.3% in 1986 to \$120.6 billion, compared with increases of 7.2% and 23.7% in 1985 and 1984, respectively. In the 1982-86 period, export value recorded increases averaging 7.7% annually, compared with an annual increase of 11.5% in the 1979-83 period.

The merchandise trade surplus — the excess of exports over imports — was \$10.1 billion, down from the higher surpluses recorded for 1982-85.

Price changes have a significant impact on trade values. The Paasche or current-weighted price index is calculated from price relatives with

1981 as a base year (1981 = 100) and current values as weights.

The Paasche import price index at the total level rose 1.1% in 1986 (Table 21.8). In the 1982-86 period, the price index increased at an annual average of 2.4%, compared with substantially higher increases in earlier years. Prices for domestic exports posted annual increases which averaged only 0.8% in the period 1982-86.

The fixed-weight or Laspeyres volume index (1981 = 100), a measure of changes in trade values in real physical terms, is calculated by dividing a value index by the corresponding Paasche price index.

The import fixed-weight volume index was up 7.3% in 1986 (Table 21.8), preceded by increases of 9.3% (1985) and 19.4% (1984). Export volume showed increases averaging 6.8% in the 1982-86 period.

21.5.3 Trade by commodity group, 1982-86

Imports. Automotive products accounted for 30.2% of total imports in 1986 (Table 21.3), followed by machinery and equipment (accounting for 28.3% of total imports), industrial goods and materials (17.6%), other consumer

Chart 21.3

Canadian merchandise trade with other countries, 1986

Billion dollars

