

### Subsection 4.—Proportions of Trade in Raw and Manufactured Products

The stage attained in the industrial development of a country is indicated by the character of the goods it imports and exports. In the early years of Canada's development, imports were made up chiefly of manufactured products and exports of raw and semi-manufactured products. Since the beginning of the twentieth century this position has been almost reversed; a large percentage of imports into Canada now consists of raw material and semi-manufactured products to be used in Canadian manufacturing industries, while exports consist, to a great degree, of products that have undergone some process of manufacture. With the growth of population and the establishment of industries using mass-production methods, it has become profitable to import raw materials such as rubber, cotton and sugar for processing in Canadian factories; such industries can easily produce more finished products than the domestic market can absorb and, therefore, an export trade in these finished goods has become established.

In trade with countries possessing highly developed manufacturing industries, Canada's imports consist of manufactured products and her exports to those countries are made up largely of raw materials and semi-manufactured products. On the other hand, in trade with countries of South America and Africa, whose industrial development is not so advanced, the reverse is true, imports being predominantly raw materials, while by far the larger part of exports consists of fully manufactured goods.

Analyses of Canada's trade, from the angle of degree of manufacture of imports and exports with leading countries, are of value to the student of economic relationships because they present, in summary, a picture with significant meaning in the complementary relationship of manufacturing and commerce between continents and countries.

The data of Table 17 have been specially tabulated to show at a glance this information for all countries of any importance that trade with Canada. Table 18, on the other hand, gives historical statistics that clearly indicate the fluctuations in imports for home consumption of important raw materials used in Canadian manufacture, irrespective of their source. In a broad way, the data reflect the development of Canadian manufactures, although the dislocations in trade caused by the War must be borne in mind in using the figures for the past six years.

### 17.—Imports and Exports, by Continents and Leading Countries, According to Degree of Manufacture, 1944

Continent and Country	Imports						Domestic Exports (Excluding Gold)						
	Raw Materials		Partly Manufactured		Fully Manufactured		Raw Materials		Partly Manufactured		Fully Manufactured		
	Value	P.C. of Total	Value	P.C. of Total	Value	P.C. of Total	Value	P.C. of Total	Value	P.C. of Total	Value	P.C. of Total	
	\$'000		\$'000		\$'000		\$'000		\$'000		\$'000		\$'000
EUROPE													
Belgium.....	Nil	-	Nil	-	Nil	-	Nil	-	Nil	-	1	100.0	
Eire.....	"	-	"	-	3	100.0	11,002	91.9	365	3.1	604	5.0	
France.....	"	-	"	-	9	100.0	27	0.2	Nil	-	15,838	99.8	
Italy.....	"	-	"	-	1	100.0	2,280	1.4	41	2	157,797	98.6	
Netherlands.....	51	100.0	"	-	Nil	-	Nil	-	Nil	-	1	100.0	
Spain.....	645	21.3	720	23.8	1,659	54.9	2	2.3	"	-	88	97.7	
Sweden.....	Nil	-	Nil	-	24	100.0	Nil	-	"	-	16	100.0	
Switzerland.....	Nil	-	"	-	4,766	100.0	"	-	6	2	16,123	100.0	
United Kingdom	2,744	2.5	6,565	5.9	101,290	91.6	146,536	11.9	183,755	14.9	904,739	73.2	
TOTALS, EUROPE <sup>1</sup>	3,536	2.9	7,285	6.1	109,052	91.0	171,365	11.0	204,551	13.1	1,181,936	75.9	

<sup>1</sup> Less than \$1,000. not specified.

<sup>2</sup> Less than one-tenth of one per cent.

<sup>3</sup> Totals include other countries