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Canada's economic performance favourable compared to that of rest of the world

"Nothing short of remarkable," were the words used by Treasury Board President Robert Andras, comparing Canada's economic performance to the ten major countries of the Organization for Economic Co-operation and Development during the past four years.

Mr. Andras, addressing the Victoria Chamber of Commerce on December 20, told his audience he had asked his office to prepare a number of tables showing comparison of growth of real gross national product, inflation and unemployment with these countries. He described the results as follows:

* * * *

Let us look, first, at the growth of the country's gross national product in real terms, that is, after the "artificial" growth built into the dollar figures by rising prices has been eliminated. In 1972, the country's real GNP stood at about \$99.7 billion. In the following three years, our real GNP expanded by 6.8 per cent, 3.2 per cent and 0.6 per cent respectively; so that it had risen last year to about \$111 billion; and, according to the latest OECD forecast, our real GNP growth rate is likely to be this year about 4.8 per cent, which would bring it to about \$116.5 billion.

In other words, we have managed to achieve, during the four years from 1973 to the end of 1976, real GNP gains of about \$16.8 billion.

To assess our performance on this

score, we must find out what our growth performance would have been if we had pursued different economic policies more or less similar to those adopted by other industrialized countries. You all know that economic policy-making involves difficult choices or "trade-offs" between goals such as growth of output, price stability, expanding employment and so on.

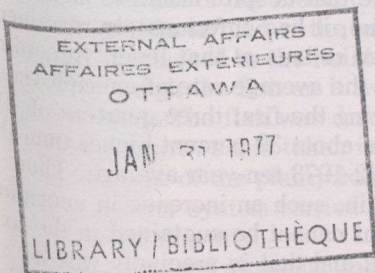
It should therefore surprise no one that other industrialized countries have made forecasts and trade-offs between economic goals somewhat different from ours. But were these choices any better than ours? To answer this question, let us see what would have been the real GNP gains of Canada if our national output had grown over the past four years at the same rates as those observed in those other countries.

Growth of real GNP in major OECD countries (percentage changes)

	Actual growth			Growth forecast
	1973	1974	1975	1976
Canada	6.8	3.2	0.6	5.0
United States	5.9	-1.7	-1.8	7.0
Japan	9.8	-1.1	2.1	6.25
Federal Republic of Germany	5.3	0.4	-3.2	5.5
France	5.9	3.1	-1.2	6.25
United Kingdom	5.6	0.3	-1.9	2.25
Italy	6.0	3.4	-3.7	1.5
Netherlands	5.2	3.3	-1.1	4.0
Belgium	6.1	4.0	-1.4	3.75
Sweden	3.5	4.1	0.6	1.5
OECD group	6.3	0.3	-1.2	5.5

Source: OECD – *Economic Outlook*, July 1976

OECD – *Main Economic Indicators*, November 1976



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