

## Canada – F.R.G. Trade

The F.R.G. exports more goods and services than any other country in the world; it also imports more than any other country but one. For Canada, the F.R.G. ranks behind the U.S.A., Japan and the U.K. as an export market.

The bilateral trade flows and the structure of Canadian exports to the F.R.G. is indicated in the following tables.

Analysis of the statistics shows:

- Raw materials and semifinished products continue to predominate as major components of Canadian exports. Wood pulp is by far the largest export product.
- However, the proportion of end products has been increasing consistently (now at 23% of the total). Canadian exports of high tech and defence-related equipment are encouraging, with recent significant sales of heavy electrical equipment, computers, aircraft, and flight simulators.
- Trade barriers resulting from the EC common agricultural policy effectively block market access for most bulk agricultural products. There are some important niche markets, however, such as fish products (which have grown impressively) and honey (the F.R.G. takes nearly 20% of Canadian exports).

- Total Canadian exports to the F.R.G. have been increasing over the past few years, with a major increase (20%) last year, including growth in most product categories.

The combination of German unification (which will lead to much increased German import requirements), the single European market of 1992, and continued dynamic German economic growth, make the F.R.G. one of Canada's most promising current and future export markets.

*(See tables on following pages.)*