

Exports of business services to the Asia-Pacific region have grown faster than those to any other region. As a result, the region's share of Canadian business services exports grew from 8% in 1985 to 11% in 1992. Most of this growth was in exports to the East Asian NICs.

Exports of business services to Japan have not grown as quickly and Japan's 3% share has remained fairly constant since 1985. Although Statistics Canada does not break down our business services trade with Japan on the basis of affiliates and non-affiliates, it is interesting to note that the proportion of affiliate business services trade in the "other countries" category which includes Japan (i.e., not the U.S. nor the EU) has increased substantially since 1983. Since affiliate business services trade is related to foreign investment and the 1980s saw a large increase in Japanese direct investment in Canada, it is not unreasonable to assume that a certain proportion of our business services trade with Japan is intra-company trade.

The remaining 9% of total Canadian business services exports is divided fairly evenly between Latin America and the Middle East/Africa. Business services exports to Latin America have been growing slowly, with the exception of such exports to Mexico. Exports to Mexico grew from \$34 million in 1991 to \$87 million in 1992. The pattern for the Middle East and Africa is less clear.

9. TOURISM

Tourism brings in revenues to Canada comparable to those for business services. Canada has maintained a fairly constant 2% share of the rapidly growing world tourism market since 1980.⁵⁶

Americans still make the vast majority of visits to Canada by foreigners, but their share of the total number of overnight visits fell from 87% in 1984 to 80% in 1993.⁵⁷ The importance of U.S. tourists has declined somewhat as visitors from other regions, particularly Asia and Latin America, have begun to spend substantially more on average than U.S. tourists. The travel receipts section of the balance of payments current account illustrates this trend. Travel receipts from the United States grew by 19% between 1988 and 1993, while receipts from all other countries grew

⁵⁶ World Tourism Organization, *Yearbook of Tourism Statistics* (Madrid 1994), p. 23.

⁵⁷ Statistics Canada, *Touriscope* 1993 SC 66-201, p. 12.