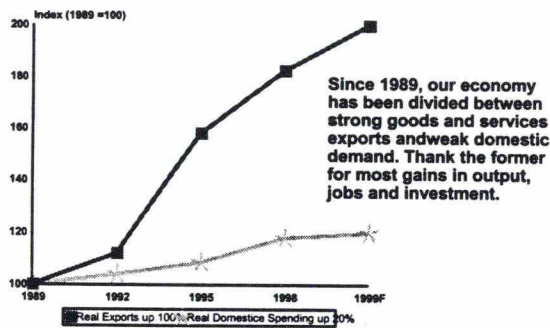


creation and economic growth, and the successes of Canadian firms. To strengthen trade promotion and help increase our exports of goods and services, the Government of Canada is building on this cooperative model and working to expand the Team Canada public and private sector partnership.

## 2. Canada's Trade Performance in 1998

In 1998, Canadian exporters stood on the front line in a turbulent international marketplace. Yet, in spite of a frequently uncertain global economy, export trade (goods and services) continued to grow at more than double the pace of the Canadian economy and now represents approximately 42% of Canada's Gross Domestic Product (GDP).

### TALE OF TWO ECONOMIES



(Courtesy of the Alliance of Manufacturers & Exporters Canada)

Marking another record-setting year, Canada's export trade reached \$368.9 billion in 1998, almost double the amount exported in 1992 and \$24.7 billion, or 7.2%, over 1997 levels. Overall, in the face of economic slowdown in key Asian and Latin American markets, Canada's goods and services trade surplus, while lower, finished 1998 at a very respectable \$10.9 billion.

Manufactured and processed goods now account for 74% of the total value of Canadian exports — with exports of consumer goods, automotive products, and machinery and equipment showing sharp increases (17.2%, 13.1% and 15.9% respectively) over 1997 levels. Services account for 12.3% of total exports. Their share has been growing rapidly over the past 10 years, particularly in the fields of telecommunications, financial services, technology transfer, engineering and architecture.

Canada's agri-food industry, which accounts for about 9% of the country's GDP, exported \$21 billion in products in 1998. This represents about 3% of world agri-food trade. Buoyed by its success to date, Canada's agri-food industry has set a new goal of 4% of the value of world agricultural and agri-food exports by the year 2005, while reversing the ratio of primary to processed product exports from 60:40 in 1996 to 40:60 by 2005.

### CANADA'S FOREIGN TRADE

