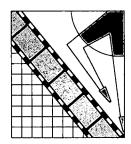
## **CULTURAL INDUSTRIES**



- he Minister for International Trade, Pat Carney has stated that "the government's ability to protect and enhance Canadian culture is non-negotiable" in the trade talks with Washington. The cultural industries employ more than 110,000 and have revenues exceeding \$9 billion a year. Here are some highlights of the Canadian position on cultural trade.
- Products of our cultural industries, such as literature, film, drama, visual arts and music express our identity as a people. They therefore cannot be regarded as interchangeable with cultural products from other countries.
- The American cultural industries can spread their production costs over a market 10 times the size of Canada's, thus giving them an overwhelming competitive commercial advantage in this country.
- A glance at Canadian theatre marquees, bookstores, and newsstands shows the ready access of American cultural products to Canada. To ensure that Canadians have access to their own creative talents in the cultural sector, numerous policies have been put in place to meet our country's cultural needs.
- Canada's cultural imports and exports in trade with the United States, including licensing fees, come to only a little over \$1.5 billion a year, or less than one per cent of our total two-way trade. But this is one of the most sensitive areas of our economic relations.

- Canada has experienced a continuing deficit in trade with the United States in the cultural sector. Two examples: books Canada imported \$1.1 billion in 1985 from the U.S., exported \$325 million to the U.S.; films imported \$35 million, plus \$125 million in licence fees, exported \$6 million, plus \$10 million in fees.
- Government support, through cultural agencies, support programs, regulations and tax measures, plays a vital role in stimulating and sustaining Canadian cultural achievement. Canada will maintain unimpaired its sovereign ability to enact new or different measures as changing domestic circumstances warrant.