variety of civil society organizations and academics. In spite of the criticisms, it seems safe to say that international trade will continue to grow in importance over the next few decades.

The Role of Trade in Corporate Performance

Trade is becoming increasingly important for more industries and companies. While Canadian firms are building exports, foreign competitors are increasing their share of the already small Canadian market. The growth in the number and importance of global products and brands is yielding substantial profit opportunities and encouraging increased trading. Also, international trade agreements are stimulating trade by lowering tariffs and other barriers to trade and investment. The result is a more attractive international marketplace with compelling opportunities for increased profits.

Failure to trade in a growing international market would lead to diminished market share and influence for many Canadian companies. For some companies it could lead to a loss of leadership in the market, with unfavourable impacts on profitability. Increased sales permit companies to win economies of scale in purchasing, manufacturing and other functions. Trade allows a "window on the world" to better understand a broad range of developments, including product design and process technology.

Trade is essential to many resource-based commodity industries in Canada, such as grains, gas, oil, lumber and pulp, because of the size of the supply relative to domestic demand. For instance, Canada's pulp and paper industry exports over 80% of its production. Diminished trade competitiveness by the major players would quickly result in poor financial performance.

Manufacturers of higher value-added goods (e.g., telecommunications equipment) which supply large global markets, are increasingly dependent on sales outside Canada, partly because the investments in technology require sales volumes far greater than any domestic market can support.

The Importance of Environment

There is a slowly growing realization that the environment provides humans with valuable services in addition to tangible resources. Some of the services include the ozone shield against UV rays, climate regulation and the purification of air and water.

> *"...the environment provides economic services not formally accounted for – at least as valuable as, and probably much more valuable than, those provided by markets.".*
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> The High-Level Advisory Group on the Environment to the Secretary-General of the OECD, November 25, 1997.