

under the jurisdiction of 10 separate provincial governments); (4) the high cost of east-west communication which is associated with the much cheaper north-south pull of the neighboring United States; (5) and the importance of international trade. In other words, Canada is a highly heterogeneous country lacking uniformity of behaviour and experiencing only a minimal development of national economic patterns.

Even if aggregate statistics of wages, prices, and output could be adjusted to overcome these three major difficulties, they would still not have too much relevance in the Canadian setting since these statistics shed little light on Canada's major problem, namely her international competitive status. If you consider that Canada's export sector accounts for some 25 per cent of GNP, and that imports are equivalent to more than one-fifth of the national product, or that almost 50 per cent of Canada's total production is affected by international trade, you will quickly appreciate the importance of Canada's international sector to the Canadian economy. The simple fact is that the economic performance of the Canadian economy is a function of the performance of her industries that are engaged in international trade. There is a need, therefore, to supplement the usual gross statistical aggregates with statistics related specifically to the industrial sectors exposed to the international economy. Only then shall we be