

When exports on the upswing Canadian economy looks rosy

There is no doubt that the economy of Canada depends on the strength of its exports.

Like a cardiac patient, Canada continually takes its pulse by measuring its trade balance, that ever-important gap between exports and imports.

When exports are up, as they are now, Canada is healthy.

The Minister of State for International Trade Gerald Regan recently told Canadians that exports are the overlooked third of the national economy. If Canadians want mandarin oranges in their Christmas stockings and salads in January, they must sell abroad to balance off that foreign spending.

Statistics tell the story

A third of Canada's gross national product (GNP) is generated by exports.

Export totals for 1982 were \$85 billion, \$16.8 billion more than Canada spent on imports. The United States spent \$58 billion in Canada last year; the Japanese, \$4.6 billion; Britain, \$2.7 billion; the USSR, \$2.1 billion; China and West Germany, each \$1.2 billion; the Benelux countries, \$1.8 billion.

France, Italy, Australia, Brazil and Mexico all spent more than \$500 million on Canadian goods and services during the same year.

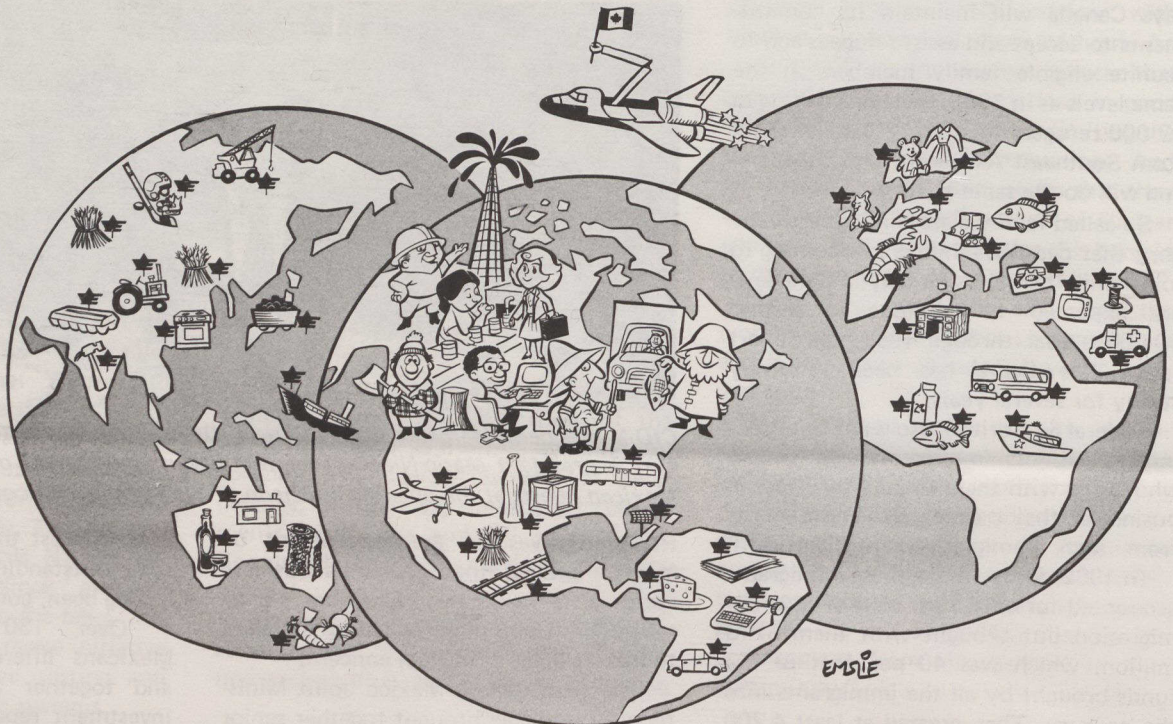
Leading provider

Canada will always be one of the world's leading providers of wheat, forest products and industrial materials and metals, according to Tom Burns, president of the Canadian Export Association.

Cars, wheat, car parts, natural gas and newsprint were Canada's top dollar-earners in 1982.

Looking ahead, Canada has a competitive edge in a number of areas according to Vic Lotto, director-general of the Export Marketing Bureau at the federal Department of External Affairs.

In telecommunications, urban transit and aircraft technology, Canadians are ahead of their competitors, he says.



"We're the world leaders in telecommunications because we have developed systems for difficult terrain," he says. The same is true for STOL aircraft and urban transit systems.

But it takes more than the best product and price to sell abroad. Backroom diplomacy, market research and matching up the product and the buyer, are essential ingredients in international trade.

Long-term supply arrangements backed up by guarantees have turned China into a traditional market, especially for wheat, says Mr. Lotto.

Last year China not only bought \$737 million in wheat but also spent

another \$190 million on aluminium including alloys, \$89 million on wood pulp and \$50 million on synthetic rubber and plastic.

China is now in the market for technology that will modernize its industries.

The United States is Canada's priority market, Mr. Lotto says, spending \$7 billion on cars and chassis, \$4.8 billion on natural gas, \$3.8 billion on trucks, truck tractors and chassis, \$3.6 billion on motor vehicle parts (except engines), \$2.8 billion on crude petroleum, \$2.3 billion on petroleum and coal products and \$1.9 billion on softwood lumber.

(Article from The Citizen.)

Committee to provide guidelines on biotechnology

The creation of a National Advisory Committee on biotechnology has been announced by Minister of State for Science and Technology and for Economic Development Donald J. Johnston.

The minister has appointed 25 members drawn from the private sector, universities and government to serve on the committee. They will advise the minister directly on the development of biotechnology in areas such as energy, food, drugs, chemicals, plastics, mining and agriculture.

In a speech to the members of the committee on the occasion of its first meeting, Mr. Johnston said, "This com-

mittee will provide guidelines and ensure that the opinions of industry and the universities are a major factor in the federal government's programs in the field of biotechnology — a field of increasing importance to economic development."

The federal government has allocated \$22 million to implement the national biotechnology strategy so that Canada benefits from new developments in this area. This strategy supports research networks, involving industry, universities and government, which concentrate on using biotechnology to enhance industrial development and the use of Canada's resource base.