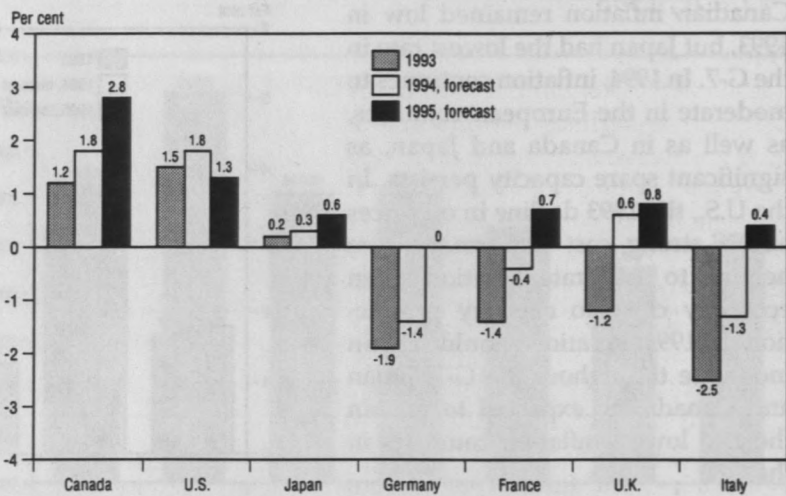


CHART 5

GROWTH IN EMPLOYMENT, 1993 - 1995

Employment growth accelerated over the course of 1993 only in North America and the U.K., reflecting the more advanced stage of recovery in these economies. Cyclical weakness slowed employment growth in Japan and caused employment to decline in continental Europe. The employment situation has begun to improve in all the G-7 countries in 1994. This should continue into 1995 as economic recovery becomes entrenched and structural impediments to employment are addressed. Canada should experience the strongest employment growth over this period.



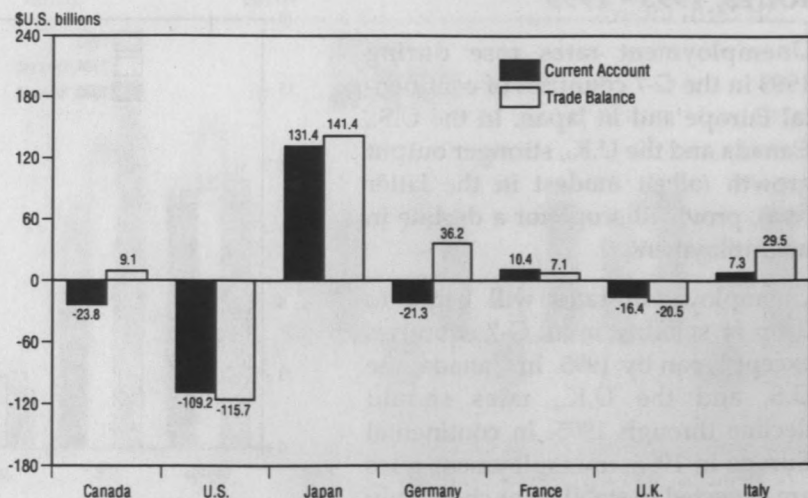
Source: IMF World Economic Outlook, Spring 1994.

CHART 6

CURRENT ACCOUNT AND TRADE BALANCES, 1993

Differences in real GDP growth among the G-7 countries and exchange rate developments affected current account and trade balances in 1993. The relative strength of the U.S. economy contributed to a widening of trade and current account deficits as import volumes grew robustly. In continental Europe and Japan, current account and trade balances improved due to the relative weakness of their economies. As well, the appreciation of the yen increased Japan's U.S. dollar-denominated trade and current account surpluses by raising the dollar value of its exports.

The depreciation of the Canadian dollar against the U.S. dollar since late 1991 raised the international competitiveness of Canadian goods and helped increase Canada's trade surplus and shrink the current account deficit in 1993.



Sources: Statistics Canada for Canada; Data Resources Incorporated for the U.S. and overseas economies.