or significant employment or GDP gains associated with exports from internationally integrated industries. With a relatively small domestic market, Canada cannot become a world-class competitor in all inputs and all product lines. Imported inputs will remain central to the competitive survival of several export industries.

This said, the resource industries perform better than any other group of industries with respect to their export suitability as defined above. Agriculture & Related Services Industries, Mining Industries and Crude Petroleum & Natural Gas Industries -- all significant exporters -- do particularly well. The only drawbacks in the resource sector are that some industries' output is used primarily as intermediate inputs in other export industries (i.e., some resource industries do not export most of their output), and some resource industries do not create as much employment as industries in other export sectors.

In addition to the resource extraction industries, manufacturing industries that export processed resources are also identified by the I-O as excellent export industries. Together, the food, tobacco, wood and paper industries account for nearly 17% of Canada's exports, and their heavy reliance on domestic resources causes the type of chain reaction effect on domestic production that is one of the keys to extending the positive domestic economic impact of exports.

Beyond the resource processing industries, the other manufacturing industries' results are mixed. As a group, other manufacturers rely much more on imported intermediate inputs in the production of exports, and are roughly split between industries that create a significant number of jobs relative to domestic value-added in the production of exports and industries that create relatively high-paying jobs.

For all the attention that high-tech industries typically receive whenever the formulation of trade policy or industrial policy is debated, they are not much different than other manufacturing industries in terms of export suitability. In fact, high-tech industries appear to operate in relative isolation from the domestic economy, since their output is largely exported and their intermediate inputs are often imported. Like other manufacturers, high-tech exporters are split between those that pay well and those that create more jobs.

The I-O approach is admittedly limited in that it does not capture the nonquantifiable spill-overs that result from high-tech production. It is often argued that high-tech industries cause other industries located nearby to become more productive and competitive through technology transfers and other spill-overs. Although that might be the case, and the spill-overs might be sufficient to justify high-