

As I review the events of 1995, one fact stands out: Canada's exports are growing at unprecedented rates. As we approach the holiday season, Canadians have every reason to take pride in their exceptional performance in foreign markets and to celebrate their successes.

Month after month, Statistics Canada has reported substantial increases in our exports, but it is only by adding up the figures that these routine, monthly announcements reveal the economic phenomenon that lies behind them. In the first nine months of the year, Canada's merchandise exports grew by a remarkable 20 per cent and its trade surplus by a dramatic 63 per cent, compared to the same period last year. This follows a similar export performance in 1994, when exports of goods rose 20.5 per cent over 1993 and the trade surplus grew by 34 per cent.

This rapid growth in our exports is diversified. It is taking place primarily in value-added and major export sectors such as industrial goods, machinery and equipment, and automotive products, as well as in more traditional sectors such as forestry products.

It is also taking place in all major world markets. Our exports to the United States were up 17 per cent in the first nine months of 1995 over the same period in 1994; to Latin America, 29 per cent; to Japan, 32 per cent; to the European Union, 42 per cent; to China, 44 per cent; and to all other Asia-Pacific nations, 47 per cent.

Although exports of services, which represent roughly 13 per cent of our exports of goods, have not progressed as vigorously, they nevertheless grew by 12 per cent in 1994 over 1993 and by 10.5 per cent in the first nine months of 1995 over the same period last year.

The robust expansion of Canadian exports of goods and services has greatly increased the share of our national income derived from trade. As a proportion of our gross domestic product [GDP], our exports of goods and services amounted to 26 per cent in 1992. For 1994, this figure reached 33.2 per cent, and by September 1995, the annualized rate for these exports had grown to 36.6 per cent of our GDP.

For individual Canadians, this means that exports have now become the most significant factor in the growth of our GDP and one of the most important contributors to job creation. Indeed, based on economists' estimates, every \$1 billion in exports sustains 11 000 to 12 000 jobs.

These outstanding results are not simply due to changes in the value of the Canadian dollar. Far more important has been improved market access resulting from multilateral and regional trade and investment liberalization; the growing international demand for Canadian goods and services; and the fact that