

Canada accounted for roughly 2% of South Korea's exports and imports.⁶ The situation is much the same in the other Asian newly industrialized countries (NICs). For example, Chinese imports from Canada declined steadily from 3% of total Chinese imports in 1988 to 1% in 1993.⁷ Despite the strong growth in Canadian exports to the region, Canadian exporters' share of the Asia-Pacific market is still relatively small.

2.2 Japan

It is well known that Japan is Canada's second largest export market after the United States. What is perhaps less well known is that our exports to Japan have grown quite slowly compared to our exports to the Asian NICs. Canadian exports to Japan were 5% of total Canadian exports in both 1983 and 1993.⁸

Statistics Canada and the Japanese Ministry of Finance reconciled Japanese and Canadian bilateral trade statistics for 1989, 1990 and 1991.⁹ These reconciliations showed that there was significant under-reporting of Canadian exports to Japan. However, even the higher, reconciled Canadian export numbers for these years show that Canadian exports to Japan fell during this three year period.

Canadian exports to Japan have an even smaller proportion of end products than our exports to the Asia-Pacific region as a whole. These proportions have changed very little over the past twenty years. In 1993, end products made up 7% of Canadian exports to Japan. Nonetheless, the input-output model analysis mentioned above suggests that Canadian exports to Japan result in strong job growth per dollar of exports. This is because of the very high Canadian content of resource and resource-based exports to the Japanese market.

From the Japanese perspective, Canada is not a very important trading partner and is becoming less important. Japanese imports from Canada in 1993 were 3% of their total imports compared to 4% in 1988.¹⁰ During this period, Japan's imports grew by 29%. Japan's exports to Canada have been roughly 2% of their total exports during the past five years.

⁶ IMF, *Direction of Trade Statistics Yearbook 1994*, p. 247.

⁷ IMF, *Direction of Trade Statistics Yearbook 1994*, p. 134.

⁸ It is also worth noting that Canadian exports to Japan were 7% of the total Canadian exports in 1973.

⁹ Statistics Canada Press Releases, *Canada-Japan Trade Reconciliation* (March 2, 1992) and *1990/1991 Canada/Japan Merchandise Trade Reconciliation* (September 22, 1993).

¹⁰ IMF, *Direction of Trade Statistics Yearbook 1993*, p. 240.