

publishing, basic metal industries; the losers included textiles, garments and apparel, furniture, leather products and tobacco.

- In the engineering industry the expansion was particularly noteworthy - greater than in GNP and in manufacturing industry as a whole. Its contribution to total value added in manufacturing increased more than its share of manufacturing employment (i.e. it was improving productivity faster than was Norwegian manufacturing industry as a whole). The number of establishments was just about cut in half from 1960 to 1975, indicating a strong trend towards concentration, presumably to take advantage of economies of scale.

- It is more difficult to assess the effects of Norway's free trade agreement with the EEC, because in the seventies the development of North Sea Oil overshadowed all other economic developments. Attention is, however drawn to the following:

- In purely statistical terms, one would have the impression that Norway has taken more advantage of the link with the Community than any other EFTA country. Its exports of the EEC were up 450 per cent and imports 228 per cent over a seven-year period. In 1978, Norway had a trade surplus with the Community for the first time. However, analysis of the trade figures in detail would probably show that North Sea Oil rather than free access to the Common Market was the big factor in all this.

- Norway's real GNP rose at an annual average rate of 4.9 per cent from 1973 to 1979, a better performance than any other OECD country. The corresponding figure for 1979 to 1983 was 2.3 per cent, compared with 0.6 per cent for the EEC, and bettered only by Japan, Finland and Turkey among OECD countries. Here again, however, the credit probably should go mainly to North Sea Oil.

- A different picture emerges when one look Norwegian manufacturing output since 1973. There was practically no change from 1973 to 1982. But the machinery and industrial chemicals sectors continued to do well (as in the sixties). The poor performance of manufacturing as a whole was attributable to such sectors as textiles, apparel, leather and products, footwear and rubber products, most of which has exhibited