

Table 4.0

CANADA'S EXPORT MARKETS FOR COMPUTER PRODUCTS 1981-1982
(IN \$ THOUSANDS)

COUNTRY	1981 VALUE OF EXPORTS	% OF TOTAL CANADIAN EXPORTS	COUNTRY	1982 VALUE OF EXPORTS	% OF TOTAL CANADIAN EXPORTS
United States	419,469	67.3	United States	510,079	71.2
Netherlands	34,640	5.5	Netherlands	42,843	5.0
United Kingdom	25,148	4.0	France	19,193	2.6
Japan	16,140	2.6	United Kingdom	17,931	2.5
France	13,840	2.3	West Germany	14,442	2.1
West Germany	13,578	2.2	Japan	13,849	2.0
Mexico	6,887	1.1	Australia	6,166	.08
Canadian exports to above seven countries				624,503	
Canadian world exports				716,034	

SOURCE: Statistics Canada

Canadian computer world exports in 1982, in the same categories as mentioned above, totalled \$715 million. As shown in table 4.0, Canadian computer exports to the U.S. increased by 21.6 percent in 1982 to \$510 million and accounted for approximately 71 percent of Canadian world computer exports.

Table 4.1 shows Canada's export competitors in the U.S. market. The information presented was selected from the U.S. Department of Commerce "Imports by Commodities" for 1982 and 1983, as defined by TSUSA*. Canada's percentage share of the import market is shown for each of the five TSUSA computer product categories recognized in the U.S. When using table 4.1, please note that TSUSA 6846440 "Telegraph Apparatus" includes telex terminals as well as other products not related to computers; and TSUSA 7244000 "Magnetic Tape and Sound Equipment — recordings not specifically provided for" includes all recorded magnetic media including music tapes. For this reason, the totals can be misleading and therefore the information should be used as a general guide of Canadian competitiveness.

Table 4.1 shows that in 1982 Canada increased her exports to the U.S. in all TSUSA categories listed, but at the same time her market share dropped. Canada's 1981 share of the U.S. computer import market was 24.5 percent whilst her share in 1982

was 18.8 percent. The greatest drop in Canada's market share was under TSUSA 6761500 "Accounting and Computing Machines" where an 11.7 percent loss occurred. (This category includes only complete computer units containing a CPU plus one input and one output device such as a keyboard and a CRT, data processing terminals compatible with all major computer manufacturers, 8 and 16 bit mini-computers, word processing, graphics and portable terminals).

In 1982, Japan's overall market share in the U.S. increased by 35 percent. Increases occurred in Japanese exports for all categories with the exception of TSUSA 7244000 "Magnetic Tape and Sound Recordings", where a 5.8 percent drop occurred. Under this category, the United Kingdom replaced Canada in 1982 as the U.S.'s top supplier. Table 4.1 also illustrates the emergence of computer industries in newly industrialized countries such as Mexico and certain other developing countries who have selected the computer industry as a target sector.

Despite the fact that Canada's overall share in the U.S. market is being seriously threatened, her exports in 1982 showed a healthy increase in dollar value. Intelligent and forceful Canadian marketing, combined with research and development in areas of specialization not currently being targeted by the Japanese, should continue to increase the value of Canadian computer exports.

* Tariff Schedules of the United States