

In fact, a wide spectrum in degree of development exists both among and within each group:

- a) Some "developed" countries include those that have not yet achieved balance between the manufacturing, raw-material processing, and primary-resource extraction sectors. In some ways, Canada is one of those. It could be very well said that some regions of Canada are developing.
- b) The group of "developing" countries includes some with essentially agricultural economies of subsistence (e.g. most of Africa and Asia), but there are others outside the market economy close to take-off points of self-sustained growth, with modern industrial sectors and cosmopolitan cities with high standards of living (e.g. most of Latin America)....

Canada and Developing Countries in World Trade

A) Volume

While developing countries' exports have not grown as fast as trade among industrialized countries, their growth rate (6.5 per cent) in the last decade was better than predicted.

World trade in 1969 reached the level of \$272 billion (U.S.). Of this, developing countries accounted for about \$50 billion. (This represents 18 per cent of world trade as opposed to 21 per cent in 1913, 31 per cent in 1948 and 22 per cent in 1960.)

Canada's share of world trade in 1969 was 5 per cent; although this looks modest, it is nevertheless equal to the contribution of the whole of Latin America. It was also more than the share of Africa or Southeast Asia taken separately.

There were projections some years ago that the trade-account deficit (\$1.5 billion) of the developing countries (1960) might rise to more than \$10 billion by 1970. Yet by 1969, the size of this deficit had not grown (\$48.5 billion in exports and \$50 billion in imports). The fear of the gap widening never materialized.

Developed countries take over 75 per cent of the exports of developing countries. Yet in 1969 Canada only took 2 per cent of their total exports. This still represents over \$1 billion, or 8 per cent of total Canadian imports. In 1969, developing countries took about \$900 million, or 7 per cent of total Canadian exports.

So who has been benefiting on the exchanges in recent years?

Since 1966, the balance of trade between Canada and developing countries has been in favour of the developing countries (last year by over \$100 million -- see Appendix).