

A number of Canadian producers sell the bulk of their exports to the European Community. For example, in 1977, the Community purchased the following proportions of Canadian exports: 85 percent of unmanufactured tobacco; 38 percent of vegetables and vegetable preparations; 60 percent of zinc ores and concentrates; 46 percent of copper metal; and 51 percent of nickel ores and concentrate. Almost one-third of total Canadian export sales of barley, woodpulp and asbestos, and one-fifth of iron ore, wheat and medicinal and pharmaceutical products also went to the Community.

Trends and Market Shares

A quick look at the trends in Canadian exports to the European Community over the last few years demonstrates clearly that this pattern of trade has not been static. While its structure or composition has not changed drastically, certain developments are worth noting.

The most significant growth has been registered by woodpulp, sales of which, for example, were more than three times higher in 1977 than in 1970. Greatly increased markets have also been developed in the ores and metals sectors, e.g. iron,

nickel, zinc, copper and asbestos. In the food sector, exports of vegetables and vegetable preparations as well as fish and fish preparations have increased substantially. (See Annex 5)

Significant progress has been registered in the field of manufactured goods. The value of Canadian end-product exports to the European Community increased by three times since 1970, reaching almost half a billion dollars in 1977 (their value was 157 million dollars in 1970).⁽¹⁾ Some of the increases registered since 1970 are: ships and boats from almost nil to 56 million dollars; office machines from 26 to 59 million dollars; telecommunications equipment from 15 to 34 million dollars. These few examples demonstrate that Canadian exporters have developed and continue to develop new markets in the Community. The increasing importance of exports in the manufactured goods sector reflects both the fact that Canadian industrial products are gaining wider world recognition and the fact that

Community industries are becoming more aware of Canadian capabilities in a number of fields such as those mentioned above. However, Canadian exports to the Community in the end products sector have been increasing, particularly since 1970, at a much slower rate than total Community imports of these products.

While the dollar value of Canadian exports to the European Community of most of the leading items has increased substantially over the last 10 to 15 years, their individual importance in total Canadian exports to the Community has varied considerably. For example, wheat, a major component of Canadian exports, accounted for one-fifth of total exports to the European Community in 1962, but its share was only 8 percent in 1977. On the other hand, woodpulp, another major component of Canadian exports, made up 3% of total exports to the European Community in 1962, but had reached over 13% of the total in 1977. The trend is similar in the case of ores and concentrates: during the sixties they accounted for a relatively small proportion of total Canadian exports to the Community, while in 1977, iron, nickel and zinc ores alone accounted for almost 14 percent of the total (see Annex 7).

⁽¹⁾ In real terms, Canadian exports of end products to the European Community are estimated to have more than doubled during the last decade.