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CANADIAN FOREIGN TRADE AND COMMERCIAL RELATIONS

(Prepared by the Department of Industry, Trade and Commerce,
Ottawa)

Two-way trade with the rest of the world has been a major factor in Canada's economic growth throughout its first 100 years and more of development as a nation, and will become increasingly so in its second century.

Canada's export-import trade totalled over \$50,000 million⁽¹⁾ in 1973. This can be compared to about \$56,000 million for Britain and \$144,000 million for the United States. On a *per capita* basis, the the comparison is considerably in favour of Canada (Canada \$2,200; Britain \$1,240; U.S. \$690), although, on the same basis, some smaller advanced countries, such as Belgium and the Netherlands, have even higher *per capita* export ratios. Nevertheless, Canada, with no more than 0.6 per cent of the world's population, has a share of world trade that is close to 5 per cent.

Canada in the early 1970s ranks somewhere between fifth and seventh among world traders.

Export-led expansion is a fundamental fact in Canadian economic history. Since Confederation in 1867, exports have grown one-third as fast again as the total rate of Canadian expansion -- and twice as fast as the trade of the rest of the world.

Trading partners

When this skeletal outline of Canada's position in world trade is put into historical perspective, it will be seen that there are certain clearly-defined directions in which Canadian trade patterns have developed:

- (1) a long-standing two-way trade association with the United States, which has expanded rapidly in recent years;
- (2) a relatively slow growth in trade with Britain since the Second World War;
- (3) a continuing (though relatively small) flow of trade between Canada and other Commonwealth countries;

(1) Value given in international units = \$U.S.

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