

## IMPLICATIONS FOR CANADIAN TRADE



Following a 14.6% increase in exports of goods and services in 2000, Canadian export growth slowed sharply over the course of 2001<sup>2</sup>. By the 3<sup>rd</sup> quarter 2001, Canadian exports of goods and services stood 6.4% below their year-earlier level. It is likely that 4<sup>th</sup> quarter exports will fall well below their year-earlier level. On an average annual basis, Canadian merchandise exports are expected to fall short of their 2000 average level by 1-2%.

The year 2002 will likely see a resumption of quarterly export growth. However, given the expected starting point for exports and downward pressures on prices, a steep recovery in 2002 would be needed to match average export levels for 2001. For 2003 and beyond, the prospects for renewed robust growth in exports appear to be solid.

## ...AND FOR TCI

*TCI's work to ensure Canadian businesses get the information, tools and support they need to compete is more important now than ever.*

In the tougher economic environment in which we find ourselves, the prospects of "going global" can be even more daunting for businesses with limited export experience. Even the most experienced traders have to work harder to secure international contracts. TCI's work to ensure Canadian businesses get the information, tools and support they need to compete is more important now than ever.

TCI members are focusing on Canada's knowledge-based, value-added sectors that offer the most for Canada's continuing prosperity. Sectors with a high percentage of SMEs, those which are important to the various regions of Canada, including rural Canada, and those with high growth potential, including beyond the U.S. market, are TCI priorities.

Priority sectors include:

- ▶ Aerospace and Defence
- ▶ Agricultural Products, Agri-food and Seafood
- ▶ Automotive
- ▶ Bio-Industries
- ▶ Cultural Products and Services
- ▶ Environmental Industries
- ▶ Health Industries
- ▶ Information and Communications Technologies
- ▶ Natural Resources Technologies and Services
- ▶ Plastics
- ▶ Services
- ▶ Wood Products and Other Building Materials

*For further information on these sectors, see Annex III.*

<sup>2</sup>Total exports reached \$477.8 billion in 2000. Quarterly exports peaked in the 4th quarter 2000, while monthly merchandise exports peaked in December 2000.