

- **Country Action Plans** outline the Government's co-ordinated international business strategy in selected priority markets. Action plans are currently available for Mexico, China/Hong Kong, Japan and Germany; six more are to be published within the next two months. Similarly, detailed federal/provincial action plans are also being developed in the agri-food sector for the identified priority markets.

Charting the Results: Canada's Trade Performance

As statistics on Canada's increasing level of exports indicate, Canadians are rising to the challenge of globalization. As reflected by the record merchandise export level of \$267 billion (on a balance of payments basis) in 1996, Canadian business is moving from strength to strength in the international trading environment. The positive trade performance contributed to Canada's record trade surplus of \$34 billion in 1996. Moreover, 1996 represents the fifth consecutive year of increase in Canadian sales to foreign markets.

Exports now account for approximately 40 per cent of the country's gross domestic product, and are clearly the main engine driving the Canadian economy; one out of every three dollars Canadians earn results from selling goods or services abroad.

The strong growth in agri-food exports, from \$13 billion in 1993 to \$18 billion in 1996, has helped this sector to maintain and increase its contribution (\$5.6 billion in 1996) to Canada's overall trade surplus.

Exports mean jobs. Selling Canadian products and services around the world brings not only increased prosperity and a higher standard of living overall, but more jobs for Canadians. It is estimated that every \$1 billion worth of real exports sustains about 11 000 jobs in Canada.

For example, Atomic Energy of Canada Limited (AECL) recently concluded a contract for the sale of two CANDU-6 reactors to the China National Nuclear Corporation. The sale, valued at \$1.5 billion, is a major breakthrough in the Chinese market and represents leading-edge technology. This project is expected to create approximately 27 000 direct and indirect jobs in Canada. More than 100 companies will participate in the contract.

Often, too little attention is paid to the dramatic impact of foreign direct investment (FDI) in Canada on our jobs and prosperity. Today, 3 Canadian jobs out of 10 (both direct and indirect), more than 50 per cent of total exports, and 75 per cent of manufacturing exports are directly attributable to FDI in Canada. Studies suggest that attracting \$1 billion of FDI into Canada results in up to 45 000 jobs over a five-year period.

The strong impetus that exports add to the continued expansion of the Canadian economy is made clear by the following graphs: