

that document on the need for improved competitiveness and a strengthened multilateral economic system.

Trade

With close to 30% of GNP derived from exports of goods and services, Canada is vitally concerned with both foreign market access and the effectiveness of international institutions and arrangements concerned with trade. (Comparable figures for the export dependence of the United States and Japan, Canada's two largest trading partners, are approximately 10 to 14 percent, respectively.) Up to 3 million Canadian jobs depend on international trade. Moreover, the importance of exports to the Canadian economy has been increasing over the past three decades. In 1965, merchandise exports amounted to 15.6 percent of Canada's GNP; today, the figure exceeds 25 percent. As the international economy grows more interdependent and Canadian industry seeks to achieve greater efficiencies, Canada's reliance on foreign trade will continue to increase in the years ahead.

In spite of the importance of trade to Canada's economic welfare, until recently the subject has not received the attention or priority it deserves, either by governments or the broader public. Canadians need to understand better Canada's enormous stake in the international trading system and in the gradual lowering of impediments to trade in most economic sectors. Canada's share of world exports has been declining. Reversal of this unfavourable trend will require a strengthened competitive position for Canadian industry as well as more assured access to foreign markets. Success in achieving these two related objectives will pay off in the form of higher per capita incomes and more jobs. Failure threatens to consign us to a deteriorating relative standard of living and a less vigorous Canadian economy.