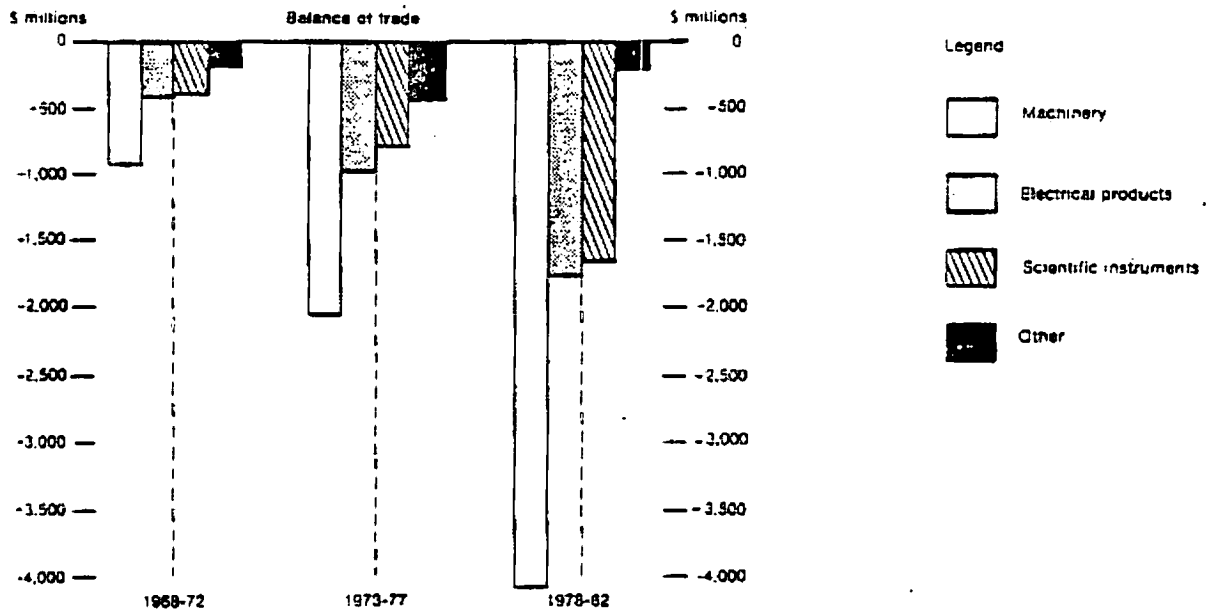


EXTERNAL TRADE IN HIGH TECHNOLOGY COMMODITIES



Source: Statistics Canada

The figure indicates increasing external trade activity for most manufacturing industries, but particularly those producing high technology commodities. In 1980, the machinery, transportation equipment, electrical products and scientific equipment industries had a negative trade balance of almost \$13 billion.

During the last five years, machinery accounted for 36% of the exports of high technology commodities and 45% of the imports. In 1982, the imports of machinery exceeded exports by over \$4 billion.

The exploitation of natural resources and the production of agricultural commodities now depend on advanced machinery so that part of the trade surplus in these areas is counter-balanced by a deficit in the associated trade in machinery. For example, in 1982, the trade deficit in mining, drilling and excavating equipment was almost \$600 million while the deficit in farm machinery was over \$1 billion.

It appears that the greater the amount of technology required, the greater our relative dependence on goods produced abroad.