

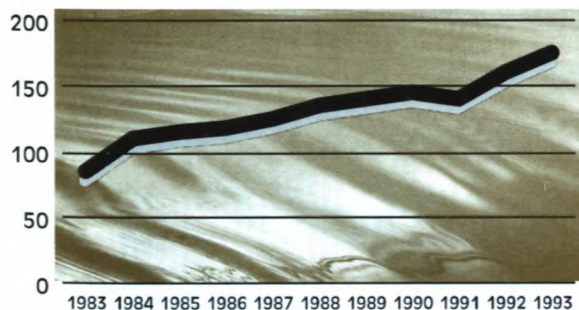
recent immigrants from their home countries offers a starting point for market penetration in North America.

## IMPRESSIVE EXPORT GROWTH

Canada has an open economy that has long been geared towards trade with the rest of the world. Canada is second among the G-7 countries with respect to total trade as a share of its economic output, a testimony to the international focus of its business community. Exports account for over one third of gross domestic product.

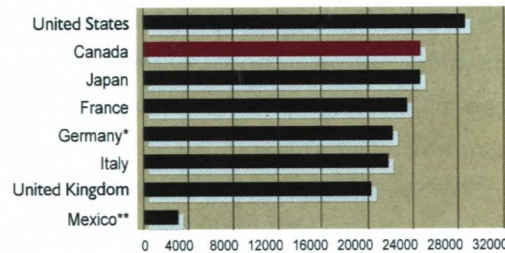
Businesses located in Canada are achieving record levels of sales on world markets. Despite sluggish economic performance in some of Canada's export markets, Canadian exports have been growing steadily. The volume of Canada's goods exported grew by 14% in 1993, and this strong performance came on the heels of even stronger gains in 1992. Under the Canada-U.S. Free Trade Agreement, in place since

### Record Export Growth (1983 to 1993, in billions of \$)



Sources: Bank of Canada; Export Development Corporation.

### Affluent Domestic Market GDP per capita (converted at purchasing power parity) - 1991



Sources: OECD, National Accounts, vol. 1, 1960-1991; IMF, International Financial Statistics, Feb. 1993; PlanEcon.

\* German Data includes estimated output in 1990 for the former East Germany according to PlanEcon.

\*\* 1989 data is the most recent data for Mexico. Rate used to PPP conversion of Mexican peso data to U.S. dollars is the actual average exchange rate for 1989.

1989, many Canadian companies have increased their market share of the combined Canada-U.S. market.

Canadian exports include transportation equipment, metals and mineral products, grains, and forest products, as well as such high-technology products as telecommunications equipment and computer software. Canada is forecast to export more cars to the U.S. than is Japan in 1994.

## GLOBAL GROWTH INDUSTRIES

Many of tomorrow's leading industries are already significant contributors to the Canadian economy. These include high-technology industries such as telecommunications equipment, lasers, environmental equipment, biotechnology, aerospace and computer software. Other examples include plastics, electrical equipment, chemicals, machinery

**"WE WERE LOOKING AT THE U.S. AND OTHER LOCATIONS AROUND THE PACIFIC RIM ... BUT CHOSE VANCOUVER (CANADA) FOR A NUMBER OF REASONS. THE AMENDMENT TO THE CANADIAN TAX ACT WAS A MAJOR FACTOR. AND THERE IS GOOD POTENTIAL FOR DEVELOPING THE EXPORT BUSINESS FROM CANADA TO PACIFIC RIM COUNTRIES."**

STEFFAN MELIN, PRESIDENT, SOUTH PACIFIC INTERLINE LIMITED, A WHOLLY OWNED SUBSIDIARY OF GOTLAND SHIPPING OF SWEDEN

**"WE CAN FIND WORLD-CLASS EXPERTISE ON ALMOST ANY TYPE OF TECHNOLOGY WITHIN 25 MILES OF MY OFFICE."**

RONALD MORRISON, PRESIDENT, KODAK CANADA

**"THERE ARE SOME VERY BRIGHT PEOPLE WORKING IN THE UNIVERSITIES HERE. IT GIVES US A GREAT SOURCE OF RECRUITS WHEN WE ARE HIRING AND WE COOPERATE WITH THE SCHOOLS TO GET THE BEST MINDS IN ACADEME WORKING WITH US ON OUR PRODUCT DEVELOPMENT."**

KENNETH COPELAND, PRESIDENT, DIGITAL EQUIPMENT OF CANADA LIMITED, A SUBSIDIARY OF DIGITAL EQUIPMENT CORP. (U.S.)