



A MESSAGE FROM THE
HONOURABLE PIERRE S. PETTIGREW,
MINISTER FOR INTERNATIONAL TRADE

Despite lackluster economic performance by most of our trading partners, Canada's trade and even its international investment performance stood up relatively well last year. Our exports fell only marginally for the entire year and our imports, reflecting our strong domestic economy, grew. We can be proud of Canadians from coast-to-coast-to-coast who worked so hard to achieve this outcome.

There are several interesting features in this year's Report besides our surprisingly strong overall trade performance in the difficult circumstances facing all of us last year. One is the strong performance of our traded commercial services where the knowledge and skills of Canadians are so important in activities such as architectural, engineering, and other technical services, other financial services, and royalties and licence fees on services provided by Canadians. Another is the continued importance of our natural resource sector in our trade performance. Despite the relative reduction in the role of resources in our trade, our merchandise trade surpluses over the past decade continue to be derived largely from the strength and success of this sector. Finally, the emergence of China as a major trading partner is clear from the analysis in the Report — China has become our second largest source of merchandise imports.

I look forward to another rather good year for the Canadian economy and hope that our international trade performance can be sustained in view of the uncertain world economy and the current threat to our tourism and related sectors. Helped by our trade agreements negotiated over the years and by sound economic policies at home, Canada has created, particularly in recent years, an innovative, competitive economy. I am convinced that Canadians will continue to achieve many trade successes throughout the year, laying the groundwork for future growth and prosperity in the years to come.