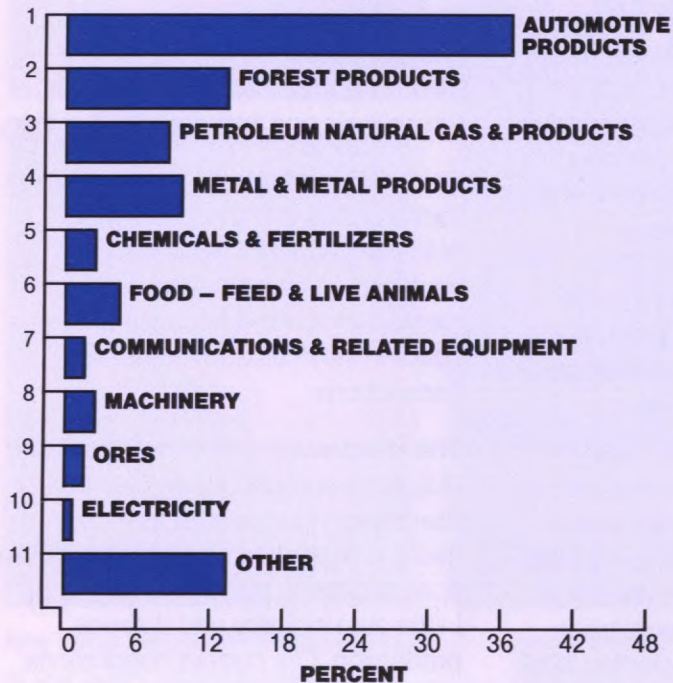
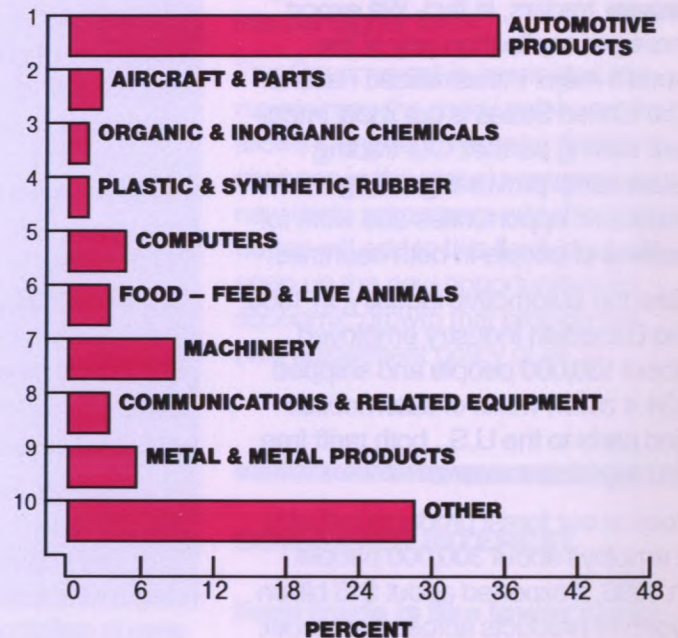


**MAJOR CANADIAN EXPORTS  
TO THE UNITED STATES  
1986**



**MAJOR CANADIAN IMPORTS  
FROM THE UNITED STATES  
1986**



from nine per cent to 47 per cent of total sales to the world. Nonetheless, our share of international markets has recently been declining and Canada has slipped from fourth to eighth place among free world trading nations.

Moreover, as an industrialized nation searching for expanding markets for our goods, we face increasing competition from other countries with similar goals. At the same time, this international competition is inducing the erection of non-tariff barriers to trade around the world as countries act in the misbegotten belief that they protect jobs - even though history proves the end result is exactly the opposite.

This is why our trade with our neighbour is running into trouble. Protectionist forces in the U.S. are

gathering strength. Directly and indirectly, a wide range of Canadian exports has felt the impact of U.S. contingency protection measures.

Since 1980, at least 20 anti-dumping investigations, 11 countervailing duty cases and 13 safeguard actions were brought against Canadian exporters to the U.S. market. The latest and potentially most serious threat to our lumber industry was averted only after Canada agreed to impose an export tax of 15 per cent on lumber shipped to the U.S.

U.S. actions have affected about \$6.5 billion worth of Canadian products ranging from herring to rail passenger cars, swine and pork, flowers, sugars and syrups, frozen french fries, rock salt, carbon steel pipes, mushrooms, footwear and apple juice.

Other sectors such as energy, agriculture and steel are threatened by American administrative action or impending trade legislation in Congress.

This trend should convince even the most skeptical among us that there is no longer any such thing as the status quo in our trade with the U.S. We cannot stand still. Either we see our trade opportunities, and eventually our prosperity, fall prey to protectionism, or we seek a better relationship governed by an international treaty.

This would mean secure and enhanced access to the U.S. market and a better way of settling disputes. Such an agreement would be a mighty trade plus for Canada. 🍁