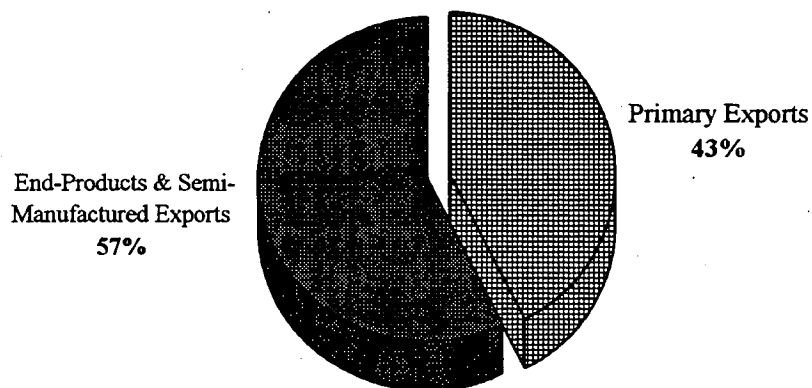


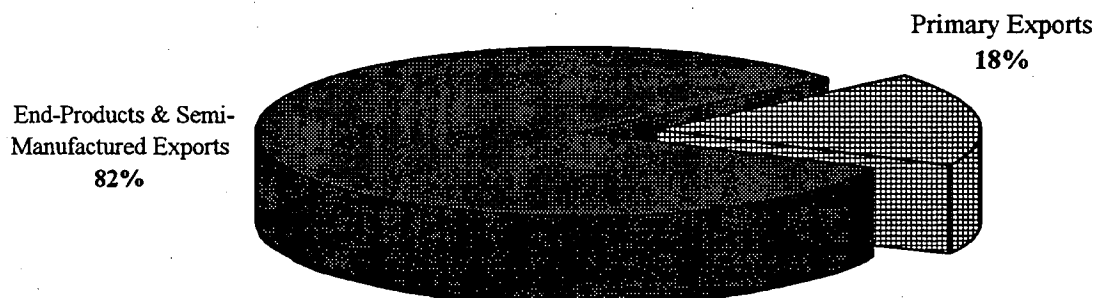
Executive Summary

Is Canada destined to export primarily resource-products forever? Peddlers of gloom-and-doom scenarios for Canada would have one believe that Canadians are stuck in the misery of a resource-based economy. But the significant change in the composition of Canada's exports from 1963 to 1995 tells a different story.

Canadian Merchandise Exports in 1963



Canadian Merchandise Exports in 1995



Primary resource-based exports² fell as a proportion from 43% to 18% over the past 32 years, while end-products and semi-manufactured exports increased from 57% to 82% of total merchandise exports.

² Primary resource-based exports, in this paper, follow the commodity grouping used by Statistics Canada: live animals; food, feed, beverages and tobacco; and crude materials, inedible. See Statistics Canada catalogues 65-001 and 65-003.