

The Clout of the European Community

The economies of the twelve nations* of the European Community (EC) will be fully integrated by the end of 1992. By then the volume of imports into the EC will almost rival those of the United States. The EC market of 324 million consumers will be the largest in the free world, offering substantial economies of scale to manufacturers. Lower production costs and a broader customer base will increase the ability of European industry to compete more effectively both in Europe and in global markets.

European Community and US Compared, 1987*

	EC	US
Imports (billions)	\$518.5**	\$543.5
Exports (billions)	\$517.0**	\$331.0
Gross Domestic Product (billions)	\$5,667.0	\$5,881.8
Population (millions)	323.9	244.6
Civilian workers (millions)	140.4	117.7
Area (millions km ²)	2.284	9.373

*Note: Canadian dollars used throughout.

**Trade between EC countries not included.

Sources: Eurostat; U.S. Department of Labor; U.S. Department of Commerce

Leading EC Imports, 1987 (billions \$ CDN)

Petroleum products	73.9
Office equipment	25.2
Apparel and accessories	22.1
Road vehicles, including cars	21.9
Electrical machinery and parts	21.4
Telecommunications equipment	17.0
Textile, yarn and fabrics	14.1
Paper and paperboard	13.9
Vegetables	12.6
Plastics and artificial resins	12.3

Source: European Commission of the European Community

The Single Market also presents major opportunities for Canadian companies – if they are prepared for competition on a global scale. At the same time it will create a challenge that will be dangerous to ignore, because the increased competitiveness of European companies will ultimately affect their performance within our own domestic markets. However, Canadian companies contemplating the opportunities of a new European market will have to seriously examine whether they have the products, financing and human resources that are required to compete in the Single Market.

* Belgium, West Germany, France, Italy, Luxembourg, The Netherlands, United Kingdom, Denmark, Ireland, Greece, Portugal and Spain.

The European Community

