

4. Export beyond the U.S. market

We should replicate our success in U.S. markets by increasing Canada's share of emerging high growth markets, and helping develop high-growth sectors, higher-value products, and export-ready firms. We have huge potential in Asian and Latin American markets.

5. Improve our share of global investment

Canada should capture more global FDI flows, particularly investments directed at the NAFTA region. Canada's market share of FDI lags behind the competition, even though a recently-released KPMG study lauds Canada's cost-competitive advantage over European and US locations.

6. Exploit the potential of Team Canada missions

Team Canada missions have proven to be a popular and effective tool to improve access to the world's fastest-growing markets. We should build on these successes and take a broad, strategic approach to exploiting their full potential.

1.3 A Report Card for Canada

The government will address these challenges by focusing its activities on four key areas:

- *market access* — maintain and improve secure market access;
- *export capability and preparedness* — develop internationally competitive and export-oriented industries and firms;
- *international market development* — increase exports of goods and services;
- *investment* — increase business investment.

In addition, we will track our performance against macro-economic indicators to gauge our standing relative to other industrialized countries. The preceding chart captures Canada's recent international business performance as a baseline for future comparisons:

Our baseline indicators will also include the following reports and analyses:

- *Trade & Investment Report*: this biannual analysis will present trends in Canada's trade and investment performance vis-a-vis G7 and Organization for Economic Cooperation and Development (OECD) countries for priority and growth markets and sectors;
- *priority sector analyses*: year-to-year, international, and sector-to-sector comparisons;
- *a special issue of MICRO (Industry Canada's Micro-Economic Research Bulletin)*: the key findings of the Trade and Investment Report; and,
- *Annual Report on Aggregate Macro-economic Performance Indicators*: indicators will be monitored quarterly.

Baseline Macro Indicators for Canada's IBD Performance

	1997	Annual % Change
Exports of Goods & Services	343 (\$ billion)	8.6 (nominal)
Exports (US destination)	268 (\$ billion)	10
Exports (non-US destination)	74.7 (\$ billion)	0.9
Balance of Trade (goods)	23.4 (\$ billion)	(42.9)
Balance on Current Account	(17.0) (\$ billion)	(547.4)
# of Exporters total	88,897 (1996)	
# Small Exporters (sales < 500k)	75,967 (1996)	4.1
# of "active" exporters	6,378 (1995)	
FDI	191.8 (\$ billion)	8.5

Source: Statistics Canada (1998)

Table 1

1.4 The Team Canada Concept

Where We Were

Earlier this decade, when governments in Canada were experiencing difficult fiscal challenges, new strategies were needed to enhance international business development (IBD) programs and activities across government, and to rationalize the IBD resource base while making IBD efforts more effective in responding to the needs and demands of the business community. L. R. (Red) Wilson was invited to lead a private sector group in providing a collective perspective on what IBD assistance Canadian business requires from government. The group was asked to review existing support, including any gaps in programming or services, and to suggest how government could deliver programs and services more efficiently and effectively, keeping in mind budgetary constraints.