

The activities and events for 1982-83 have been planned in accordance with the expected allocation of funds for market development activities in Saudi Arabia in the coming fiscal year. Activities and events indicated for subsequent years (1983-84 and 1984-85) are suggested as a response to an identified need and will be more closely evaluated in terms of budgetary considerations at a later date. Additions and/or deletions for these subsequent years may be made as a result of ongoing inter-departmental discussions and consultations with the provinces and the private sector.

Canada/Saudi Environment

As Saudi Arabia attempts to leap into the 21st century, the Saudi market presents an exciting challenge to Canadian companies. Genuine interest in Canadian goods and services has been demonstrated through both private and government channels. The Joint Economic Commission has assisted in establishing areas of mutual interest and removing any misunderstandings regarding our trading practices. In an effort to strengthen private initiatives, both provincial and federal trade missions have taken place over the last few years. The Prime Minister in November 1980, the Honourable Ed Lumley, Minister of State for Trade in April 1981, and missions from the Ontario, Alberta, British Columbia and Quebec governments have illustrated Canada's interest in assisting Saudi Arabia in its development. Canadian companies together with the public sector are involved in projects in the fields of communications, manpower training and development, transportation and agriculture.

Although to date success has been limited, it is hoped that both countries will take up the challenge to increase trade and strengthen our ties in the development of Saudi Arabia.

Characteristics of the Saudi Market

1. Demographic and Socio-Economic

The Kingdom of Saudi Arabia covers the greater part of the Arabian Peninsula. The area is roughly rectangular in shape and about 2.4 million square kilometres in size -- about the same as Ontario and Quebec combined. Population is estimated at roughly 8 million, of which perhaps 3 million are foreign labourers and management. Some 75 per cent of the population is considered settled in the three major cities of Riyadh, (the capital), Jeddah and Damman-Al-Khobar. A major obstacle to Saudi development has been the lack of trained Saudi manpower. In order to remedy this situation, a national educational budget of U.S.\$4.76 billion was set in fiscal 1981-82 with a further U.S.\$2.9 billion being programmed for educational infrastructure. This has represented some 10 per cent of the total national budget.