

Federal Trade Measures Open New Export Markets

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Affairs. Would you tell us the reasons behind this move?

A. I can relate them to what I have just been saying about the continuing and developing partnership between government and business in the area of international trade. In this more interdependent world, the line between trading relations and other diplomatic relations becomes almost impossible to draw. This makes it important to coordinate trade policy and promotion functions with all of the other activities of the Department of External Affairs. Putting both functions under one roof is a sensible, efficient thing to do at this time. It certainly does not in any way represent a subordination of international trade activities to other diplomatic activities. On the contrary, it is an attempt to ensure that Canada's foreign policy, both in its formulation and implementation, respects the basic Canadian truth on which a great part of Canada's interests abroad are economically founded.

And, of course, we continue to maintain a close contact with the new Department of Regional Industrial Development. For instance, information about international trade programs operated by External Affairs, such as the Promotional Projects Program (PPP) and the Program for Export Market Development (PEMD), is available from Regional Industrial Development as well as from External Affairs.

Details of these, and other financial and informational services currently available, can be found elsewhere in the pages of this supplement. But I'd like to mention the International Trade Development Branch of the Department of External Affairs which was created last year to help ensure that Canadian trade policy today is service-oriented and results-oriented. The objective is to ensure that the implementation of policy reflects the realities encountered by business people doing business internationally. It is all part of our drive to gain greater understanding of the needs of the business community and to apply that information in a practical, pragmatic way.

Q. Would you discuss the current state of sectoral free trade talks with the United States?

A. The talks are proceeding satisfactorily. My mid-February meeting with Bill Brock, the U.S. Trade Representative, went very well. We expect to have an interim report about the practicalities of free trade in certain sectors — steel, agricultural equipment and inputs, government procurement with particular reference to urban mass transit, and trade in computer services and other elements of the informatics sector — by May and some sectoral free trade agreements could possibly be in effect before the end of the year. Of course we will need to consult first with industry and the provinces. No promises, mind you, but it's looking good.

The potential benefits to Canada of the sectoral approach to trade be-

tween this country and the United States are, in my opinion, enormous. Some observers seem worried about possible flooding of Canadian markets by goods manufactured in the United States. This is a traditional concern but I feel we should not underestimate the ability of Canadian industry to improve productivity, to specialize and to compete efficiently in the larger markets that the sectoral approach will provide. I have full confidence in the competence of Canadian industry, and I think we are on the right path in our sectoral free trade initiatives, and this view is shared by the many Canadian businessmen who are giving us advice and support.

Q. Is preoccupation with the advancement of sectoral free trade with the United States crowding the increase and diversification of trade with the rest of the world off the agenda?

A. No, absolutely not! The maintenance of an open, multi-lateral international trading system is central to Canadian trade policy. We see multi-lateral trade as a means of sustaining economic growth in Canada, developing the economic potential of different regions and making our industrial structure efficient and competitive. The United States is, and will remain, our biggest customer for exports and our biggest supplier of imports. That's a fact of life. Obviously, relations with the United States are crucial to Canada's economic well-being and this is reflected in the time, effort and money that we put not only into increasing and diversifying our trade with the U.S. but also into ensuring that maximum benefits, including protection of Canadian jobs and national sovereignty, come from trade with the United States.

But we have other important trading partners also. The European Community and Japan, for instance. Currently the EC takes 11 per cent of our exports and Japan about five per cent. That's small compared with the 70 per cent of exports which go to the United States. But it is important, we are cultivating it vigorously and intelligently, and it is growing. The same can be said in regard to China. And many of the newly-industrialized and developing countries of the world.

You may be aware that I had scarcely gotten back from the mid-February Washington talks with Mr. Brock and his officials than I was on a two-week business-diplomatic trip to Malaysia, Hong Kong and India and to Brunei where I acted as Canadian representative at the Independence Day celebrations of that country.

Q. What exactly did you do on this trip?

A. Well, my meetings in Malaysia were concerned with Canadian participation in energy and telecommunications projects in that area. I met with the Malaysian Ministers of Trade and Industry and of Finance, as well as with the Chairman of the National Electricity Board and the Director General of Telecommunications.



Hon. Gerald Regan
Minister for International Trade

In Hong Kong I met the Secretary of Industry and Trade, whose job is similar to mine, as well as the Secretary of Monetary Affairs and the Chairman of China Light and Power. Among the things we discussed were Canadexpo 84, the multisectoral trade fair that Canada will put on between May 11 and 20 in Hong Kong, and the proposed project for a Hong Kong exhibition centre.

In India I met with Mrs. Indira Gandhi, India's Prime Minister, and discussed expanding the economic co-operation and bilateral trade between India and Canada. I also met with the Minister of Energy, the Minister of Railways and the Minister of Commerce. Among the matters under discussion were mega-projects in hydro, thermo-power and gas transmission. Canadian companies are developing opportunities in all these areas. One of the main reasons for my visit was to convey Canadian government interest and support for the initiatives of the Canadian businessmen involved.

What I want to emphasize here is that Canadian businessmen who are interested in developing trade opportunities overseas can count on the backing of the Canadian government. They can also count on help from good service-oriented and results-oriented people and agencies in Canada and abroad.

Q. Have you any message you would like to pass along to Canadian businessmen, particularly perhaps the small businessman wanting to get into international trading or to expand his interests in that area?

A. I'd simply like to let them know that the policies and services that are in place and being developed through External Affairs are the result of extensive and on-going consultation with the business community and other sectors of Canadian life. I believe our policies reflect a consensus on what is best for Canada over the long haul. I urge businessmen to take advantage of all the services and support available with full confidence that they will be serving Canada as well as their own business interests.

Exports Hit Record Clip

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accounting for a progressively larger share of the total as Canadians find they can compete, not just in terms of price and quality, but also in those products with a high technological content.

Exports of aerospace technology, for example, totalled an estimated \$1.7 billion last year. Exports of communications and related technology reached an estimated \$1.3 billion. Also proving to be highly exportable are Canadian experience and production technology in resources development.

Actively encouraging the increase in the number of exporters are the export assistance programs now administered by the federal Department of External Affairs.

These have been structured, primarily, to help small and medium businesses, and first-time exporters which have neither the financial resources nor the working knowledge they need to break into foreign markets.

External Affairs, for example, will assist in doing the preliminary research necessary to establish whether a foreign market exists for specific Canadian products and, if it does, how that market can best be served.

Other programs help underwrite costs of participation in trade shows and other media for contact with possible customers. At the other extreme is the "third country" program which offers expert help in nailing down complex contracts which may involve several foreign producers.

Rounding out these efforts was the establishment of the Aid-Trade Fund which was announced in the February budget. The fund is intended to support a larger role for private producers in Canada's international development programs.

Newsletter For Exporters

"There's a tremendous role for the newsletter to play," Gerald Regan, Minister for International Trade, told newsmen while launching the new publication last fall. "It's needed to bridge the information gap that so often prevents Canadian manufacturers from taking advantage of world markets."

CanadExport, a bi-weekly newsletter distributed free to producers of goods and services, is designed to keep exporters — and would-be exporters — up to date with a growing range of government programs and services aimed at helping them sell their products abroad.

This unique new "eye" on the world has been described by trade officials as "one of the most practical and useful new information vehicles to hit the export community in a long time."

The newsletter can be obtained by writing to CanadExport, SCS, Dept. of External Affairs, Lester B. Pearson Building, 125 Sussex Dr., Ottawa, Ont. K1A 0G2, or by phoning the External Affairs Trade Information Centre hotline — 1-800-267-8376 (Ottawa area: 593-6435)

The newsletter is available in English or French.