

To start making associations stronger, in February I called together representatives of 19 Canadian associations for a brainstorming session. At this session, an expert panel gave us four characteristics of an ideal industry association. They are:

- high density of representation;
- sophisticated policy expertise;
- sophisticated technical expertise; and
- trust between association staff and members.

How do Canadian industry associations stack up against those criteria? Not well, according to the experts. Canadian industry associations are generally highly fragmented, with a poor density of representation, and weakly integrated.

Everyone at the meeting agreed that associations can improve competitiveness. Everyone agreed that there should be better co-ordination and co-operation among industry associations. Everyone thought that there is room for informal networking among associations. But this is not enough. Thought and agreement must become concrete action.

This sector has many distinct but successful industry associations. This gives you a unique opportunity. You can develop a network of associations. You can create a network of expertise unlike anything Canadian business has seen. A services association network could be a model for other associations.

I have asked my officials to study industry associations. When that study is complete, I intend to meet again with association leaders to begin to change the association model. At that time, I hope that I can look to this sector as an example for others to follow.

In this rapidly changing economy, it won't be uncommon for a company to be a supplier to another company in one business, a competitor in another business, and a partner in a third business.

Using the template of a strong industry association network, you can form company-to-company partnerships. Join other companies and groups of companies to form strategic clusters and form these critical business masses to become internationally competitive. Don't believe that you cannot export your services because you are a small firm. Thousands of small Canadian firms have services to offer in markets all over the world.

Use alliances and strategic clusters to leverage your resources, and to benefit from others' strengths.

Partnerships will move you beyond your boundaries -- just as they have moved our international competitors beyond theirs.