

Firms Confident for 1992

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Optimistic! That's the signal from Canadian companies in Britain on their prospects for the Single European Market to be introduced in 1992.

Nearly 150 companies, based inside and outside of London, were polled by the commercial and economic division of the Canadian High Commission, at the end of 1990.

The results show that despite the present downturn in Britain, Canadian subsidiaries in the country remain bullish about the future.

For the companies that were polled, Britain remains by far the easiest country in Europe to penetrate.

Almost 70 percent of the subsidiaries cited the United Kingdom in this category. However, their attention is not only concentrated here and most of the companies are anticipating better economic prospects with the Single European Market in 1992.

Two-thirds of the respondents said that the European Community initiative would enhance their market share prospects in the twelve countries of the Community.

Britain will probably act as a jumping off point for these Canadian companies as they prepare themselves to exploit the advantages of a single market. More than two-thirds of them view the United Kingdom as a stepping stone for the continent. In light of these predictions, half the companies are planning to expand their UK operations to take advantage of the European market.

The survey was particularly interested in the

attitude of the Canadian subsidiaries which have been established in Britain since 1988. It revealed that these affiliates share the confidence of their more experienced colleagues. Not only do they have an equal amount of expectation in the future prospects of the European single market and of the use of the United Kingdom as a stepping stone to Europe, but a greater number of them – 60 per cent of the recently established companies – will be expanding their operations here in Britain to take advantage of this economic potential.

Poised

Thus, the Canadian subsidiaries in Britain are facing the EC 1992 initiative with confidence. As the date approaches when all trade barriers within the community will fall, these companies are poised to take advantage of all the many benefits that this situation will present.

At this time, with this in mind, External Affairs and International Trade Canada is undertaking an intensive study of other non-community industrialised countries. It will seek to determine how their private sectors are responding to the Single European Market. The report will also examine specific government programs in these countries which deal with Europe. The study will provide Canadian business and government with concrete information for those who wish to take advantage of the 1992 initiative.

For those Canadian companies already established in Europe, it will indicate how their non-community competitors are preparing for 1992.

