

making the world economy more open and more transparent.

## 2. Bilateral Co-operation

France-Canada economic relations are expanding fast. With globalization, direct investment has become the chief engine of international trade and commerce. With total investment of over C\$6 billion in Canada in 1998, France is now the fifth largest foreign investor in Canada. While many French companies in Canada are located in Quebec, there are major French companies in all regions of the country. Meanwhile, Canadian investment in France has increased seven-fold in 10 years to a total of C\$4 billion in 1998. On a per capita basis, Canadian investment in France equals French investment in Canada.

Our exports were worth C\$1.684 billion in 1998, a 35% increase from 1994. France is Canada's third largest customer in Europe and the seventh in the world. Finished products account for over half of Canadian exports. The greatest Canadian successes are in high-tech, high value-added sectors: aeronautics, transportation, telecommunications, computers and professional electronic equipment, and electrical and mechanical machinery. In the agri-food industry, processed foods, oilseed crops and seafood have penetrated the market successfully. Bilateral trade in services is also showing strong growth, with an estimated value exceeding C\$1.5 billion. Tourism is a leading sector. In 1998, 402,000 French tourists visited Canada, representing C\$487 million in revenues.

The current growth in France-Canada economic relations is reflected by a number of events, which have symbolic value: 1) the eleventh meeting of the Canada-France Joint Economic Commission, held in Paris in 1998, ended with the signing of a major joint declaration on bilateral trade priorities and the multilateral importance of the WTO; 2) the work of the Joint Scientific Commission continued in 1998, confirming the strength of exchanges between public and private sector researchers in the two countries in fields such as forestry, oceans, agriculture, medical research and social sciences. This entire sector is expected to gain new momentum given the access Canadian companies and laboratories have to the EU's framework programs for research 3) Prime Minister Chrétien visited France in January 1997, accompanied by Minister of Industry Manley and 25 business leaders, and the Declaration of Enhanced Partnership was signed; 4) Prime Minister Jospin visited Canada in 1998, accompanied by a delegation of business leaders, and the France-Canada Action Program was signed.

