

Finance Minister Paul Martin released revised draft amendments to the Income Tax Act and the Income Tax Regulations together with explanatory notes for the February 22, 1994, budget proposals dealing with foreign affiliates. The Minister indicated that he intends to table a bill incorporating the second revised draft in February 1995.

G-7 Finance Ministers and Central Bank Governors to Meet in Toronto

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Finance Minister Paul Martin announced that finance ministers and central bank governors of the Group of Seven leading industrialized countries will meet February 3-4 in Toronto. Mr. Martin said that the finance ministers and central bank governors meet regularly as part of an ongoing process of macroeconomic policy consultation and co-operation.

STATEMENTS

Trade liberalization is following — not leading — underlying economic trends. A messy and bewildering web of bilateral and regional trade arrangements, especially in Latin America, reflects the efforts of national governments to adapt to an increasingly international economic system... Thus, Canada, the United States, and Mexico decided to enter into a "deeper" free trade relationship both to circumvent the slower pace of the multilateral round and to put pressure on their other trading partners. In response, Asia launched its own regional trade initiative largely out of fear of being left behind by a dynamic and expanding NAFTA [North American Free Trade Agreement]... Canada's real challenge is to position itself strategically for this new Asian landscape, to ensure that it is prepared domestically for the burgeoning opportunities that lie ahead... This is not just a question of linking more effectively aid and trade, or of throwing more export credit at problems. Not only can Canada no longer afford this approach, but I have doubts as to its success over the past several years. Our policies, our initiatives and our activities must form aspects of a larger strategy. We must set realistic targets, outline our key objectives and evaluate dispassionately our results. We must sharpen our focus and target the delivery of our existing services to Canadian companies, especially the small and medium-sized, who are beginning to look beyond North America for export and joint venture opportunities. This means disseminating market intelligence more effectively; it means better co-ordination among federal departments and with provincial governments; and it means involving Canadian businesses and private sector organizations in setting objectives and planning operations... A failure to build stronger links with an increasingly confident Asia will have costs for the Canadian economy extending well beyond issues of market share. In many ways, our economic relations with the Asia-Pacific region will increasingly help to define our global competitiveness and, by extension, our own domestic development. Our success in building strategic partnerships with Asian firms, or in penetrating new markets for Canadian energy, infrastructure, services and manufactured products will help to reinforce — indeed define — our competitive edge in global markets.

Notes for an Address by the Honourable Roy MacLaren, Minister for International Trade, to the Vancouver Board of Trade, Vancouver, British Columbia, January 12, 1995, 95/3.

UPCOMING EVENTS

- January 19-30: Prime Minister Visits Latin America and the Caribbean
- January 22-28: Secretary of State (Asia-Pacific) Visits Hong Kong and South Korea
- January 25-28: Foreign Affairs Minister Ouellet Visits Lebanon and Kuwait
- January 27-28: World Economic Forum (Davos, Switzerland)
- February 6: House of Commons Resumes Sitting
- February 23-24: U.S. President Clinton Visits Ottawa

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