

## Transport Minister heads successful mission to China

**Beijing China** > China is the world's fastest growing major economy and has become Canada's second-largest two-way trading partner. A safe, secure and efficient transportation system will be needed to support these growing and important commercial ties. As such, both countries must ensure that their transportation systems are up to the opportunities and challenges of moving an increasing number of goods and people.

To further this increased growth and cooperation, Transport Minister Jean Lapierre recently headed a successful transportation mission to China. The mission, which took place from September 1 to 7, consisted of stops in Beijing, Shanghai and Hong Kong and

included a business delegation, two Members of Parliament and western provincial government representatives.

While in China, Minister Lapierre made a point of promoting Canada as the gateway to North America. He emphasized that for Chinese businesses, the closest major deepwater port and the closest international airport in North America are both located in Vancouver. The Prince Rupert Port and the Port of Fraser River are

also important and expanding deepwater ports with increasingly strong ties to trade with Asia. Shipments from China can get to the interior of North America more quickly and at lower cost by using the Canadian transportation system.

Minister Lapierre also signed the Memorandum of Understanding on Technical Cooperation in Aviation, which will facilitate the free movement of aeronautical products and services and share knowledge and technology. He also discussed the Canada-China bilateral air agreement that is expected to triple flights between Canada and China in the near future, and a new memorandum of understanding on railway cooperation that paves the way for exchanges on railway heavy haul container transportation. Both agreements were signed on September 9 in Ottawa, following the mission.

Looking to the future, Minister Lapierre and his Chinese counterpart agreed to review a bilateral agreement on maritime transportation, first signed in 1997, and discussed the need for increased maritime safety and security in light of growing trade between Canada and China and evolving international concerns.

This mission was convened in support of Prime Minister Paul Martin's goal of encouraging sector-specific missions following his trade mission to China in January 2005, and in support of the Government of Canada's *International Policy Statement*, tabled in April 2005, identifying China as a key commercial partner.

**For more information**, go to [www.tc.gc.ca/mediaroom/releases/nat/2005/05-h182e.htm](http://www.tc.gc.ca/mediaroom/releases/nat/2005/05-h182e.htm).



Transport Minister Jean Lapierre and the Chinese Minister of the General Administration of Civil Aviation, Yang Yuanyuan, sign the Memorandum of Understanding on Technical Cooperation in Aviation.

## Doing business in China: General advice

- **Be punctual.** Chinese people usually arrive on time for meetings and other occasions, and sometimes even 5 or 10 minutes in advance. It is considered rude to arrive late for engagements of any kind.
- **Take time to get to know your counterparts.** You will need to establish a high level of trust in your partner (and he or she in you). Business style in China relies heavily on personal relationships based on trust rather than legalised, impersonal obligations.
- **The Chinese often use intermediaries to make personal introductions,** to carry bad news and to settle disputes.

It is possible to carry on an acrimonious argument without ever facing your opponent.

- **Banquets are an integral part of deal-making in China.** On these occasions, you can't go wrong by taking cues from your Chinese counterparts. Sit where your host suggests; try the food that is offered; make a reciprocal speech and toast. If karaoke is part of the evening, gather your courage and sing your favourite song. Your host will enjoy it!

**For more information**, go to [www.infoexport.gc.ca/ie-en/DisplayDocument.jps?did=49864](http://www.infoexport.gc.ca/ie-en/DisplayDocument.jps?did=49864).

## Canada-China trade relations - from page 1

dent partnership—one characterized by incredible new commercial potential. And there are Canadian companies seizing these opportunities. The softwood lumber industry is a key example: domestic wood producers recently introduced Canadian-style wood-frame construction into the Chinese market where potential annual housing starts are in the millions. Their approach is paying off, as Canadian softwood exports to China have doubled to more than \$104 million annually.

China has become Canada's 2nd largest two-way trading partner, with bilateral trade reaching \$30.8 billion in 2004. For the first 7 months of 2005, trade between the two countries has reached \$19.5 billion, an increase of 27% compared to the same period last year. But however important this progress has been, bilateral trade with China remains relatively modest, especially when compared to the relationship with our main trading partner, the United States.

To address this challenge, a number of government initiatives will be rolled out in 2006 to help Canadian businesses succeed in China and other emerging markets. These include a second mission to China to increase trade and investment, concluding a foreign investment protection agreement by mid-2006 and supporting the Pacific Gateway initiative, which aims at increasing British Columbia's port, rail and highway capacity to accommodate increased commerce with China and other Asian nations.

International Trade Canada will also be rolling out an emerging markets strategy which will help further position Canada to benefit from the rapidly growing economies of China, India and Brazil, and broaden our trade focus beyond the U.S.



Canada's economic future hinges on firmly embedding itself in China's economic expansion. Bold and concerted efforts to engage China today will have beneficial economic ripple effects for years to come. The dynamic Chinese community in Canada represents a tremendous asset and Canada has the resources and technology to contribute to China's growth. The world is beating down a path to China's door. Now is the time to move.

**For more information** on Canada-China relations, go to [www.china.gc.ca](http://www.china.gc.ca).

## Urban sustainability mission set for to China

**China, February 27-March 10, 2006** > Trade Team Canada Environment's **Urban Sustainability Mission to China** is set for February and March 2006. China's unprecedented urbanization is generating tremendous environmental concerns that are creating significant business opportunities for those that can bring innovative solutions targeting urban sustainability. The mission will focus on climate change technologies, air pollution control and waste management (including hazardous waste, industrial waste control, wastewater and agriculture waste). Participation is not limited to these sectors and all environmental companies with a business interest in China are invited to apply.

Trade Team Canada Environment, in partnership with the Canadian Trade Commissioner Service in China, provincial governments, and industry associations will lead the environmental trade mission, in its third consecutive year, to the world's fastest growing market for environmental solutions. Whether you are an export-ready environmental professional with a business interest in China or already active in the region, don't miss this opportunity to maximize your success in the Chinese market!

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