

## Market Access Issues

Saskatchewan, as a highly trade dependent province with an increasingly diversified economy, seeks greater and more secure market access for a full range of export products, including agricultural and resource commodities, processed agricultural products and manufactured goods.

A successful outcome of the WTO agriculture negotiations is important to the future economic viability of Saskatchewan agricultural exporters. We need to see movement by our large international competitors, such as the United States and the European Union, in terms of significant reductions in the levels of support provided to their domestic agricultural producers, to ensure that the province's highly efficient producers can compete with them on level ground. In terms of the WTO negotiations on services, Saskatchewan is working with commercial services providers to identify specific market access barriers that could be addressed in these negotiations.

Given the importance of maintaining access to the United States as an export market, bilateral Canada-U.S. trade issues are often of concern to Saskatchewan. Issues that need to be addressed include ongoing challenges by the United States affecting key agricultural and agri-food products of export interest, including wheat and cattle. Current or proposed actions, including legislative measures by certain U.S. border states such as North Dakota and Montana, continue to have the potential to severely disrupt bilateral Canada-U.S. trade. Effective management of trade relations with the United States is required at both the national and provincial-state level to ensure the orderly two-way trade of goods and services between Canada and the United States and to minimize the potential for disputes.

## MANITOBA

### Overview

Manitoba has the most diversified economy of the Prairie provinces. This diversification, including an increased focus on value-added production, has mitigated the impact on the provincial economy of fluctuations in commodity prices and demand for imports in foreign markets. Steady performances across several sectors including manufacturing,

information technology and telecommunications services, fashion and apparel, transportation, health care products and services and aerospace helped the province record gross domestic product growth of 3.0 percent in 1999, despite poor results in many primary industries.

With significant production in over 15 distinct industries, the manufacturing sector is a major contributor to Manitoba's economy (See Table 6). Manufacturing employment has experienced strong and steady growth over the past decade and the value of manufacturing shipments has increased 67.5 percent since 1991. Manitoba is North America's largest manufacturer of buses, producing both intercity and urban buses, and is home to Canada's largest furniture manufacturer. Manitoba's aerospace sector is the third largest in Canada, with about 5,000 employees and over \$1 billion in sales in 1999, much of it exported. Over 100 apparel firms contribute to making Manitoba Canada's third-largest apparel manufacturing centre. Food and beverage industries, with strong linkages to Manitoba's agriculture sector, shipped \$2.5 billion of products last year to countries around the world.

Manitoba also has a strong financial services sector, which includes: Canada's largest insurance company, Great-West Life Assurance Co.; Canada's largest mutual fund company, Investors Group; and, one of the fastest growing wealth management companies in Canada, Assante Corporation. It also has a significant presence in multimedia, including Can-West Global Communications.

Plans to further diversify the economy through the continued development of its biotechnology, nutraceutical and information technology and telecommunications (ICT) sectors is a provincial priority. From four companies in 1984, Manitoba's health care goods sector has grown to encompass over 110 firms, generating combined revenues of \$330 million and employing 2,560 people with expertise in areas such as biotechnology, medical research and medical/assistive device production. The province is also now home to 80 call centres, and there is a shift of call centre operations to Manitoba from other parts of Canada and the United States to take advantage of its strategic advantages, which include its central time zone, competitive telecommunication rates and supply of bilingual and multilingual labour.