

Canadian Trade Development Efforts to Date

Canada established diplomatic relations with the Kingdom of Saudi Arabia in 1973 and opened an Embassy in Jeddah in 1974. In 1978, Bell Canada secured a five-year management contract worth \$1.2 billion to establish a modern, efficient telecommunications network in the Kingdom. Aside from regular commercial activity, the relationship has been characterized by a number of high-level visits. Prime Minister Trudeau travelled to Saudi Arabia in 1980; Trade Minister Ed Lumley visited in April 1981; and Energy Minister Marc Lalonde was in the Kingdom in January 1982. Senior Saudi officials, including Sheikh Yamani, Minister Kayal, the King's half-brother, Prince Nawaf and nephew Prince Salmem, have also visited Canada in recent times.

There has also been a range of most useful provincial missions to the Kingdom, primarily from Ontario and Quebec, but also including British Columbia, Alberta and specifically directed federal missions in fisheries, food products and defence equipment. These visits have to some extent emphasized to Saudi Arabia the importance that Canada places on it as a trading partner. There is a Joint Economic Commission (JEC) that serves as an umbrella organization for technical exchanges. The JEC has met in 1976, 1978 and 1980, and serves as an overview mechanism to focus Canadian expertise on Saudi priority projects in such fields as telecommunications, transportation and education.

While Canadian exports to Saudi Arabia were worth only \$455 million in 1981 [80 per cent in manufactured items], professional involvement by Canadians in the Kingdom is substantial. There are some 5,000 Canadian residents in Saudi Arabia who are mainly working in technical areas. SNC is in the final stages of a consulting supervisor contract for a \$1 billion rural electrification scheme in the Qassim region. Watts, Griffis and McQuat has an ongoing consultancy relationship with the Minerals Directorate of the Petroleum Ministry. Cansult has been engaged for many years in municipal consulting and contracting in the Kingdom. A host of other Canadian firms are actively engaged in joint ventures or other consultancy roles that add to the significant Canadian presence in Saudi Arabia.

Saudi Arabia now enjoys a high level of entrepreneurial skills in its population. A focus of the national five-year plan is to commensurately upgrade technical and managerial skills as well. To this end the Saudis attach considerable importance to the training of their people at overseas institutions, including those in Canada, at both vocational and tertiary levels. Canadian medical and scientific expertise is highly regarded and substantial potential exists to increase the numbers of students from Saudi Arabia in Canada to the benefit of our future relationship.