



Conclusion

Economic and trade relations between Canada and the Philippines have broadened significantly over the last decade but have yet to reach their full potential. Canadian interests in the Philippines were revitalized following the election of President Aquino in 1986 and Canada has strongly supported the Government of the Philippines in its program of democratization, economic reforms and progressive social policies. The launching of the first full-fledged Canadian Development Assistance Program in the Philippines in late 1986 is expected to play a major role in shaping development, economic and trade relations between the two countries. The program is not only designed to assist the Philippines in dealing with the many development challenges it faces but also to lay the groundwork for expanding existing contacts and linkages between Canada and the Philippines.

Bilateral trade is likely to become a feature of growing importance in the years ahead as the overall relationship between Canada and the Philippines matures even further. There is ample scope for each country to improve its position in respective domestic markets. Although the Philippines is located in the fastest-growing area of the global

economy, its debt problem, political instability and legacy of economic underperformance make it less attractive than some other countries in the region. However, the solid economic recovery since 1986 augurs well for the Philippines and Canadian development assistance should help sustain this progress. As the Philippine economy reaches sustainable growth, the effect of Canadian and Philippine trade development efforts will be reflected in real trade expansion over the medium- to long-term.