



## Conclusion

Economic and trade relations between Canada and the Kingdom of Thailand have grown rapidly over the last decade. Canada's development assistance programs in Thailand through the Canadian International Development Agency have played a central role since the early 1980's in shaping bilateral relations. In recent years CIDA has focused on institution building and private sector linkages.

The new focus given to development assistance programs was designed to bring the two countries together as strong economic and industrial partners, and to complement the government's traditional export promotion efforts. As this full partnership is being realized, and as Thailand continues to grow in wealth and prosperity, the Canadian aid program will gradually be scaled down in favour of a mature bilateral relationship.

Thailand's exceptional social and economic growth make it a potentially valuable trading partner. Two way trade between Canada and Thailand has nearly quadrupled since 1986, making it Canada's second most significant trading partner in ASEAN.

While the level of trade between Canada and Thailand has increased dramatically in absolute terms over the last decade, it has remained fairly

static as a percentage of total trade for each country. Canada receives 1.5 percent of Thai world exports, while 0.3 percent of Canada's export shipments go to Thailand. Increasing participation, however, in cultural exchanges and accelerated frequency of visits by Royal family members, Ministers, Senior officials and business people provides evidence of the greater importance Thais and Canadians place on strengthening links between the two countries. Recent commercial activity between the countries as well as further efforts to liberalize economic policy by Thailand indicate that Canada and Thailand will be able to make major strides in increasing the importance of their trade relationship.

As such, a solid base exists to enhance economic relations. The Economic Co-operation Agreement signed in July 1988 provides a broad framework for venturing into new areas of co-operation. The bilateral economic commission created under this agreement provides the forum for both countries to focus and dedicate resources to cooperative ventures. Canada's status as a dialogue partner in ASEAN, and the membership of both countries in APEC allow for further opportunities for continued contact and co-operation.