
In December 2000, Ontario announced its new Global Strategy — *Ontario Abroad: Working Globally to Win Jobs Locally*. The Strategy is an integrated, three-part program to enhance Ontario's profile in key centres abroad, attract more investment and increase exports.

One component of the Strategy involves the creation of International Marketing Centres in five major locations: London, Munich, New York City, Shanghai and Tokyo. In every case, it is Ontario's intention to co-locate with the Canadian mission in those cities. Each Centre will initially be staffed by one Ontario-based senior economic officer, supported by one locally hired person.

Establishment of the Centres demonstrates Ontario's renewed commitment to international engagement (all previous Ontario offices were closed in 1993). They are mandated to provide an effective, cost-efficient commercial presence in the province's major investment or trade markets. In addition to facilitating government-to-government contact, the Centres will serve as a platform for projecting Ontario's image, while enhancing Ontario's access to critical commercial information. All five Centres will become operational in 2002. Performance measures will be developed, and the Centres will be evaluated annually.

Ontario is determined to build upon its current export strengths by encouraging export growth in its information technology and high-technology sectors, and by promoting its products and expertise in regions of promising export growth outside the United States. To this end, Ontario's lead trade agency, Ontario Exports Inc., is focusing on developing export expertise among the province's innovative small and medium-sized enterprises.

Ontario Exports is also retaining local in-market consultants in Argentina, Brazil, Chile, Germany and Mexico. These in-market consultants will have the specific mandate of promoting Ontario's firms and products in the countries and regions to which they are assigned.

Market Access Issues

Given the importance of the U.S. market for Ontario exporters, maintaining secure access to that market is crucial. Addressing recent problems for companies trying to cross the U.S. border has been a high priority

for Ontario, which has been working cooperatively with New York State to improve trade flows across the border and enhance economic development. This activity complements actions recently taken by the Canadian and U.S. governments to improve security, cooperation and efficiency at border crossings.

Bilateral Canada-U.S. trade issues are also often significant for Ontario, given its share of the Canadian economy. A key issue that needs to be addressed is ensuring free access to the U.S. softwood lumber market for Canadian producers. Arbitrary and unfounded trade actions taken by the United States have also hurt Ontario's commercial and farm business communities.

Ontario's export development activities also aim to increase trade with other markets outside the United States. With the increasing importance of trade in services, the WTO services negotiations could certainly advance Ontario's market interests. The agriculture negotiations will also be important for creating a fairer competitive environment for Ontario agricultural producers. The recent launch of a broader round of WTO negotiations will provide an opportunity to pursue these and other market access objectives.

QUEBEC

Overview

In 2000, Quebec's GDP grew at one of the highest rates for any year since the start of the 1990s. At 6.7%, Quebec's economic growth easily surpassed the average rate of increase (2.0%) observed from 1990 to 2000. In 2001, economic activity remained up (by 0.9%) despite the economic slowdown already taking place in Quebec's main export markets.

Quebec's GDP totalled \$223 billion in 2000, and grew slightly to \$225 billion in 2001.

Manufacturing activity in 2000 posted a steady growth rate of 13.5%, which compares favourably with average annual growth recorded between 1993 and 2000 (8.4%). The latest results for 2001 seem to indicate a pause in the expansion of recent years. For the first nine months of 2001, manufacturing shipments were down 2.9%. The reduced activity in the computer and electronic products subsector was largely responsible for this overall contraction. Manufacturing shipments totalled \$127.65 billion in 2000 and \$91.01 billion for the first