

Trade and Investment

- Marking the centenary of bilateral relations, Canada and Australia announced in March their intention to begin negotiating a bilateral trade and investment agreement. The agreement will provide a framework for more co-operation in international business development. It is also designed to explore ways to further liberalize bilateral trade and investment and to improve consultation on multilateral and regional trade policy issues. Another important objective is to enhance co-operation in sectors of priority interest, with emphasis on joint marketing efforts in third markets.
- Australia is Canada's 15th largest export market. In 1994, the figure reached \$951.82 million, compared to \$815 million in 1993. About 75 per cent of Canadian exports are manufactured goods and value-added products, many of which are produced by small and medium-sized enterprises.
- Australia is a particularly important market for Canadian manufacturers of high-technology products, including telecommunications and defence products, mining equipment and industrial machinery.
- Canadian imports from Australia were valued at \$1.12 billion in 1994, up from \$1 billion in 1993. Principal imports include sugar, aluminium, metal ores and concentrates, beef, medicines and wine.
- More than 200 Canadian companies have established a direct presence in Australia through investment, joint ventures, sales offices or licensing agreements. The compatible sizes and levels of technology of the two economies have contributed to the formation of technology transfers and joint ventures. Canadian firms with Australian operations include Alcan, Northern Telecom, Moore Corporation, Placer Dome Development, Norcen and McCain Foods.
- Cumulative Canadian direct investment in Australia amounts to approximately \$5 billion or 2 per cent of total foreign investment in that country. Australian investment in Canada is around \$2 billion.