

Seeking more trade and investment with Britain

Minister for International Trade James Kelleher visited London, England from February 9-10, where he emphasized the importance of Britain and Western Europe in Canada's trade strategy.

In talks with Secretary of State for Trade and Industry Paul Channon, Mr. Kelleher stressed Canada's interest in an enhanced trading relationship with Britain and the European Community. He highlighted the valuable role that Britain can play in assisting Canadian interests in Western Europe and expressed the desire for even greater trade and industrial links between the two countries.

Major trade partners

Currently Britain is Canada's third largest market for exports and largest market for manufactured products outside the United States. Since 1983, Canadian exports to Britain, which vary from traditional exports like plywood, newsprint and lumber to fully manufactured goods, have amounted to some \$2.5 billion annually. Canada's exports to Western Europe totalled \$8.1 billion in 1984.

Britain is also Canada's second largest source of foreign investment. More than 550 British corporations have operations in Canada and their total investment exceeds \$7.5 billion.

In a speech to the Canada-United Kingdom Chamber of Commerce attended by some 150 representatives from London's financial and business communities, Mr. Kelleher said Canada has "embarked on a very deliberate and steady policy to re-invigorate, rebuild and strengthen our bilateral economic relations

with Britain and with Europe". He added that the government has "identified electronics, forest products, machinery and equipment and processed food products as central" to Canada's export strategy in Britain.

Industrial co-operation

Concerning investment, Mr. Kelleher highlighted Canada's interest in promoting more industrial co-operation with Britain. He said there were "excellent opportunities" for British participation in "industrial and high tech fields, including computers (both hardware and software), offshore oil and gas equipment and services, and automotive parts". He also pointed out that the first investment counsellor has been placed in the high commission in London to assist British firms interested in investing in Canada.

Mr. Kelleher stressed as well that Canada's "trade interests are global, and any agreement we conclude with the US must also meet our obligations to our other trading partners and to the General Agreement on Tariffs and Trade". He added that Canada is "deeply committed to the rejuvenation and expansion of the multilateral trading system".

A round table meeting was convened by Mr. Kelleher with Canada's heads of mission and senior trade officers in the 12 top markets in Western Europe to assess the new opportunities that are expected to open up with more favourable exchange rates and a growing European economy. Steps were taken to chart a course of action to allow Canada to take advantage of its improving competitive position in European markets.



Mr. Kelleher talks with Deputy Trade Minister Joseph Stanford prior to the meeting in London of ambassadors and senior trade commissioners from 12 European posts.

Peru's leaders visit

Peruvian Prime Minister and Finance Minister Luis Alva Castro and Foreign Minister Allan Wagner Tizon visited Canada, February 10-12, to discuss bilateral and international issues of concern to both countries.



Prime Minister Brian Mulroney (right) met with Prime Minister Luis Alva Castro in Ottawa.

In meetings with Prime Minister Brian Mulroney, Minister of Finance Michael Wilson, Secretary of State for External Affairs Joe Clark and Minister of External Relations Monique Vézina, the global economic situation, including the problems of servicing the external debt of developing countries, of increasing protectionism and of deteriorating trade owing to lower prices for basic commodities, were reviewed.

Contadora initiative

The Canadian representatives expressed their appreciation for the constructive role played by Peru in support of the Contadora process through the Lima Group and their hope that the regional discussions would lead to a lasting settlement of tensions. Canada continues to regard the Contadora initiative as the best avenue for achieving reconciliation in the area and thus deserving strong international support.

Canada's intention to provide substantial economic support through the program of official development co-operation was reaffirmed. Ministers Alva Castro and Vézina signed a new line of credit valued at \$4.8 million (Cdn) for the purchase of some 10 000 tonnes of Canadian fertilizer and telecommunications equipment for 33 rural communities in the Andes.

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