

medical and health sciences products. We also have leading-edge technology in remote sensing and small satellites.

The investment side of the ledger is obviously important in looking at any bilateral economic relationship. In recent years companies from both countries have established or acquired profitable operations in the other's market. Mayne Nickless, Foster's, MIM, TNT, Amcor, BHP, Boral Western Mining, and CSR, among others, are present in Canada. Several well-known Canadian firms have found a hospitable business environment here: Alcan, McCain, Bata, Nortel, DMR Associates, Moore Corporation, Golder Associates, Western Star Truck, Placer Pacific and Norcen to name a few.

More recently, of course, the Fairfax Group became part of Conrad Black's growing empire, although I'm not sure how hospitable his reception was or will be in the future. Last year, Canwest Global Communications from western Canada acquired a major holding in Australia's Channel 10; the Canadian Four Seasons chain took over the management of the Regent Asia-Pacific hotels, including those in Australia, and a Canadian company is active in the establishment of cable television here. The most recent major acquisition by a Canadian firm was Novacorp's \$135-million investment for a 25% stake in the Moomba-to-Sydney gas pipeline. Our best estimate is that Canadian Investment in Australia today totals approximately A\$5 billion.

Taken in aggregate these trade and investment figures seem respectable given that our combined population is about 45 million, our markets are thousands of kilometres apart and our economies are in some respects competitive rather than complementary. That said, I am persuaded, as I have previously mentioned, that we could both do better.

Using Canada as a base from which to tackle the large North American market must surely figure in the corporate strategy of any Australian firm, large, medium or small, thinking of establishing in our part of the world. Any such strategy cannot help but be informed by the positive effects of the Canada-U.S. Free Trade Agreement [FTA]. The FTA's effects are now being strengthened by those flowing from the North American Free Trade Agreement [NAFTA] which brings Mexico into close economic partnership with the United States and Canada. Obviously, for those firms in Australia whose global marketing strategy incorporates the targeting of North America, our hope is that similar business methods and environments will lead them to consider Canada as their North American Gateway.

It may be regarded as facile to employ terms such as "strategic partnerships" or "alliances" — but such approaches would certainly seem to make sense for Australian companies contemplating the North American market. Indeed this is now