

## LUNCHEON ADDRESS

A summary follows of the excellent overview given by Mr. W.G. Deeks, President, Noranda Sales Corporation.

Mr. Deeks, in his introductory remarks spoke of the vital importance of the linked business activities of transportation and trade, and their importance to the economic health of Canada. He spoke of the American Management Association and its tenet that **the single most important function of marketing is distribution**, which can be defined as the ability to present to the customer the right product at the right time!

In describing Noranda's \$6.5 billion of business in 65 countries around the world, Mr. Deeks identified his company as the largest business purchaser of transportation services in the country.

Unfortunately there is an increasing difficulty in obtaining transportation services at an affordable cost in cases where regulated transport is not responsive to the market. Mr. Deeks complimented the Exporters Coalition for flagging this issue for attention.

*"As Canadians, producers of goods and services must find a competitive niche in international markets, and in this respect we share with our United States colleagues a concern regarding unfair trade practises, and the means of dealing with them"*, he said. Mr. Deeks spoke of the benefits of the proposed Free Trade Agreement, particularly its ability to define a dispute settlement mechanism which would separate US-Canada problems from others that are the product of unfair trade practises.

*"To compete in the global village Canadian industry will have to shift from being a reactive production driven business, to being creative and responsive to customers, introducing new and advanced products and leading in market niches where we have fair competitive advantage. To achieve this Canadians need the discipline of competition."*

Mr. Deeks suggested that these disciplines will ensure us the opportunity to compete effectively. Several additional steps are required — knowledge of world markets and what other people do, and a common understanding between all the Canadian players, business, shareholders, employees, unions, communities, suppliers and government.

For Canadians, an important result of the trade talks will be the combined ability of the two countries to jointly address in the multilateral trade negotiations the unfair trade practices of some trading nations. This would have profound implications for the Canadian transportation industry, and, in Mr. Deeks' opinion, would help to guarantee market responsive rates providing access for exporters to third world countries.

Citing the requirement in many Third World countries for inbound product to be carried in vessels of their flag, charging rates that are not market related, and often higher than rates charged on outbound cargo, Mr. Deeks noted that this penalizes the delivered cost of Canadian products, while at the same time subsidizing the outbound cost of delivering the other country's products to our market!

In closing, Mr. Deeks supported the concept that major users of transportation should improve communication with government officials to ensure the development of Canadian policy supportive of our trading goals. Improved communication would also keep business informed on the latest direction of government thinking. In this respect he supported the idea of an advisory committee on trade and transportation related issues.

*"Transportation will be a virtual bargaining point in the upcoming multilateral trade negotiations"* he concluded, suggesting that several agencies represented at the Conference could "grandfather" such an Advisory Group.