

Canadian or foreign-owned, is its extensive network of trade commissioners located in more than 150 cities around the world. This includes 26 locations in the United States and Mexico, including the Canada-Mexico Business Center which will open soon.

The year 1994 marks the 100th anniversary of the Trade Commissioner Service. Trade commissioners have provided a century of invaluable and unquantifiable service to Canadian industry. Today, more than ever, they stand ready to assist individual companies. I invite you, particularly the small- and medium-sized enterprises, to call on them, to use their services and to develop a solid and ongoing working relationship with them. They can help you identify opportunities and ways of developing your business in the United States and Mexico. They can also advise you on government programs and activities which might complement your strategy. In return, they ask that you share information with them on your business objectives and contacts and that you commit yourselves to a well thought-out business development and marketing strategy.

This conference is timely, as I believe that the time is right for Canadian companies, particularly those SME's which have not already done so, to adopt an open and confident approach to exporting. Canada's economic fundamentals are sound. The recession is behind us. Inflation and interest rates are at very low levels. Our manufacturing and service industries have made substantial productivity gains. Domestic and foreign industrial investment has remained high while Canada was undergoing a profound industrial restructuring.

In addition, governments across the country are committed to fiscal discipline to support economic growth and job creation. This, in turn, should provide for an increasingly competitive tax system. There are already areas, such as the tax treatment of industrial research and development activities, where Canada stands at the forefront of most industrialised countries.

The new business environment which has emerged from the 1990-91 recession appears to have benefited most those sectors of Canadian industry which produce higher value-added products and services. These products and services are largely responsible for the surge in Canadian exports to the United States over the last three years. Overall, exports to the United States increased by 35 percent during that period. In comparison, imports from the United States during the same period increased by 24 percent.

The United States is, and will continue to be, Canada's largest trade and investment partner. We value our bilateral relationship with the United States but I would hope that we are able to address our differences without disrupting trade and investment flows and that the number of trade disputes which face us decline. We are also eager to expand our trade with Mexico and we are confident that many of our successes in the United States market will be