

Mr. Chairman, ladies and gentlemen.

It is a pleasure to be with you today in the magnificent city of Sydney, on this, my first visit to Australia. I would like to thank CEDA [the Committee for the Economic Development of Australia] for giving me the opportunity to meet with you.

Canada and Australia are not only good friends and trading partners with very close ties on a wide range of domestic and international issues, we are also both Asia-Pacific nations with important interests in the region — a point not always appreciated in thinking about and dealing with each other.

Today, I would like to talk to you about our bilateral trading and economic relationship in particular and touch upon Canada's economic and trade relations with the Asia-Pacific region as a whole.

We have been doing business together since the last century. Our first trade office abroad was opened in Sydney in 1895, followed by one in Melbourne in 1903. Today we have a trade and investment relationship that is solid and diversified, but in my view not as large as it could or should be.

In 1993 our two-way trade amounted to over A\$2 billion and would no doubt have been higher but for the lingering recessionary ills affecting both our countries. And it looks as though Australians can take some satisfaction from the fact that, for the first time in many years, the trade balance was in Australia's favour, if only slightly.

In dollar value, Australia represents one of our 10 largest export markets. In the Asia-Pacific area, Australia is our sixth-largest trading partner. It is an attractive market for us because we sell a diversified range of goods; but more importantly, about 70 per cent of Canadian exports to Australia are semi-manufacture and end products, a proportion surpassed only in our trade with the United States.

Some items account for significant portions of the total exchange. In our case these include newsprint, chemicals, aerospace equipment and systems, automotive parts, telecommunications equipment, canned salmon, mining equipment, agricultural machinery, railway locomotives, and — would you believe it — canned cherries and asparagus. We are a major market for your meat, sugar, minerals, such as alumina, and increasingly for your fine wines, not least from the Hunter Valley.

For the future, we believe that Canadian companies will be highly competitive in sectors such as power generation and transmission, environmental technologies, transportation systems and services, telecommunications and computer software, mining equipment and technology, forestry-harvesting and sawmilling machinery and