

In response to the fifth NESDP, Thailand's sixth National Economic and Social Development Plan (1987-1991) focussed on the agro-industry as a key target industry. The agro-industry was chosen as the linkage between the traditional agricultural society, and the expanding industrial base. The Thai government has developed guidelines and promotional support for the agricultural sector, realizing the paramount linkage between agriculture and industry in Thailand's drive to become a NIC. There is a variety of benefits to be reaped and opportunities to be capitalized upon by Canadians if they act astutely and promptly.

Thailand is the centre of one of the most dynamic regions in the world with a vast array of opportunities for cooperative ventures. All economic indicators as well as confidence in the Thai economy remain strong. The market remains ripe for Canadian companies to enter and contribute to the continued expansion of Thailand's agro-industry and related fields through joint ventures, technology transfer and the sharing of management expertise.

In the future, Thailand will continue to be one of the most open of all Asian economies, welcoming foreign investment and placing few restrictions on foreign trade. Thailand is waiting to forge new external links reflecting its new policies. If new relationships are to develop between Canada and Thailand, each partner must understand the other's goals and priorities. The links must cater to the needs and strengths of both the Canadian and Thai economies.

CONCLUSIONS

- * The Thai economy is utilizing its strong agricultural base to develop its agro-industry to produce more value-added goods for domestic and foreign consumption and to introduce modern technology to achieve high quality and efficiency. Improving competitiveness requires the acquisition of new technologies, training to use the new technologies, marketing expertise to gain better access to foreign markets and managerial expertise to manage the transition process.
- * Thailand is moving away from a traditional subsistence economy dependent on the production of agricultural commodities such as rice, cassava, sugar cane, tobacco, maize and rubber, to an emerging large scale food processing industry focussing on livestock, dairy, animal feed, cassava, and vegetable, fruit and seafood canning.
- * Thailand's true potential as a food processing industry has hardly been scratched. It remains the most promising base for export-oriented production in the region with an abundant and cheap labour pool, easily trained workers, tax holidays and incentives for export-oriented ventures.