

European market in terms of the direction of our export promotion programs and our strategies and objectives in trade negotiations.

22. Third, new markets in Asia and the Pacific have opened for Canada. This region has the fastest economic growth rate in the world and now represents Canada's most rapidly growing export market, second to the U.S.. As a reflection of the high priority the government attaches to the Asia-Pacific region, the immense market opportunities in the area will receive special attention. Canadian export strengths will be highlighted, particularly agriculture, forest products, metals and minerals, telecommunications, power generation, oil and gas equipment, videotext, and engineering consulting services. In Japan and the newly industrialized countries, there is scope for making important gains for Canadian exporters in market access negotiations. In order to exploit those markets, Canada has to face the challenge of increasing its competitiveness to the level of Japan and other major countries which similarly look to this region to achieve major export gains.

Aggressive trade promotion, more effective on-the-spot representation, and competitive financing have to be part of the effort. We need also to bear in mind that Canadian import restrictions on such items as automobiles, textiles and clothing, are seen as protectionist by those trading partners whose exports are affected.

23. Beyond these regions, Canadian exporters are also active in Central and Latin America and in the Middle East, especially in the oil-rich countries. While trade with Central and Latin America has declined recently under the impact of adjustments brought about by the international debt crisis, the region has an export total of \$3 billion. The Middle East markets have moved out of the "boom" phase and into a consolidation and industrial development period. There may be better opportunities now for Canadian exporters, who lacked the depth and resources to participate fully in previous mega-projects, to supply the technology services and raw and semi-finished materials that are required.