



STATEMENT

94/27

CHECK AGAINST DELIVERY

NOTES FOR AN ADDRESS BY

THE HONOURABLE RAYMOND CHAN,

SECRETARY OF STATE (ASIA-PACIFIC),

TO THE INTERNATIONAL BUSINESS SYMPOSIUM

MARKHAM, Ontario

June 1, 1994

I am delighted to have been asked to address this international business symposium particularly in light of its theme "The Borderless World — Thriving in a Global Economy."

As Secretary of State (Asia-Pacific), I advise the Minister of Foreign Affairs on Asia-Pacific matters and assist the Minister of International Trade in his efforts to open up Asia-Pacific markets to Canadian business. In this role I am constantly reminded of just how truly borderless the world is becoming. The trend towards globalization that has affected international business is unprecedented. The wide array of trade and investment ties between Canada and the rapidly growing economies of the Asia-Pacific region amply demonstrate this. I offer my compliments to the sponsors of the symposium for having selected such a relevant and appropriate theme for tomorrow's session.

Trade — exports, investment and technology transfer — is central to sustaining Canadian prosperity. The export of Canadian goods and services accounts for over one-quarter of Canada's gross domestic product. Directly and indirectly, exports sustain over two million jobs in Canada. Most importantly, the export sector has been the most dynamic element in stimulating economic growth in Canada. For all these reasons, international business development holds a high priority on this government's economic agenda.

Considerable progress has been made in recent months in bringing down trade barriers. We have had a successful conclusion, after almost seven years of negotiation, to the Uruguay Round of the GATT [General Agreement on Tariffs and Trade]. We have committed ourselves to the North American Free Trade Agreement — NAFTA.

We have also worked hard to build bridges to Asia-Pacific markets through such vehicles as the Action Plan for Japan and extensive trade missions to the region. We are members of the Asia-Pacific Economic Co-operation (APEC) forum and we hold annual consultations as a partner country with the Association of Southeast Asian Nations (ASEAN). The Government is taking seriously its responsibilities to manage Canada's presence in the global marketplace.

As our trade grows, we frequently encounter political conditions that are different from those we enjoy in Canada. We respect time-honoured traditions and cultures, but as Canadians we cannot turn aside from violations of human rights. As a Government, we raise our concerns in this area with our trading partners. We shall continue to do so.

I must point out, however, that trade and human rights are not mutually exclusive. In fact, trade itself is a force for human rights. Increased attention to political rights invariably moves forward in tandem with economic liberalization. Governments that open their doors to international trade are more sensitive to the views and reactions of others. Greater economic freedom encourages the growth of political freedom.

There is no better means to spread the message of freedom than through the people-to-people contact of day-to-day trade. The Government of Canada has no qualms, therefore, about Canadian businesses seeking to expand their horizons in a variety of world markets.

Business people have told us in the Department of Foreign Affairs and International Trade that the most valuable service we provide to the business community is market information and market intelligence. You have indicated that if we have to do less, we should do less, but do it better.

The Government, therefore, is refocusing its efforts to improve the way in which we gather and disseminate information and intelligence. We are looking at novel ways of applying technology to help us communicate business opportunities more quickly and more effectively. We are forming networks of expertise to ensure that individual Canadian firms are informed in a timely manner of suitable business opportunities. We are working to improve the training of our officers so that they will be able to serve you better when you contact them for assistance.

To tackle the problems inherent in having too many players in the international trade game, we are working at the federal level and with the provinces to develop and apply a Team Canada approach to support for Canadian international business development. The aim here is to reduce duplication among government departments and the provinces and to co-ordinate our activities better. The concept is to provide coherent, consistent and comprehensive government support for international business development — support that is well communicated and easily accessible to the business community in Canada.

With the formal blessing of the Trade Team Canada concept by Federal-Provincial Ministers of Trade in March, officials are working now to implement the approach. We are striving for a pragmatic, client-oriented approach which will broaden and deepen our existing efforts to integrate and co-ordinate our international business development support to meet the needs of Canadian business.

Currently, 60 percent of all Canadian exports are made by just 100 firms. Less than eight percent of Canadian business, and only 15 percent of Canadian manufacturers, are directly engaged in exporting.

Yet during 1992 and 1993, 85 percent of all new jobs in Canada were created by small business. Many of those jobs are quality jobs that require superior skills and offer an outstanding work environment. Canadians need quality jobs. To help create more of them, the Government is going to place much more emphasis on

today's strongest job-creation sector — small and medium size enterprises.

As part of the Government's commitment to small and medium size enterprises, or SMEs, officials of the Department of Foreign Affairs and International Trade have been instructed to explore ways to encourage more SMEs to do business globally. They have been asked to pay particular attention to how our federal international business development support could be structured to respond better to SMEs' needs. Officials of several federal departments are now engaged in an extensive review of the financing requirements of SMEs, including export financing.

Those of you who are familiar with the Trade Commissioner Service may be aware that 1994 marks its 100th anniversary. It was in 1894 that Canada's first professional Trade Commissioner, John S. Larke, was sent to Australia where he served for 15 years. At the time, the order-in-council authorizing their creation specified that Trade Commissioners were appointed "for the purpose of collecting information, and with whom correspondence may be had by Canadians interested in trade with the countries in which they reside." Although that definition continues to apply today, I'm sure you will agree that the world in which today's Trade Commissioners operate is vastly different from the one John Larke faced in 1894.

On the occasion of its centenary, the Government is committed to reexamining the role of the Trade Commissioner Service and we are eager to have the input of the Canadian business community in this effort. A series of mini-conferences is planned under the title "Launching the Second Century" to obtain the views of business across Canada and abroad on a number of topics bearing on the future of the Trade Commissioner Service. These discussions will culminate in a national conference in Toronto on October 3, to immediately precede the 51st annual convention of the Canadian Exporters' Association and the 12th annual Canada Export Award ceremony.

The Trade Commissioner Service is the most tangible and strategic network the federal government has to offer Canadian business engaged in international business development. We are committed to increasing its effectiveness in serving Canadian companies. We are determined to provide you with better market intelligence. We are determined to better serve the special needs of SMEs. We are also determined that you will find trade commissioners in the places and at the times you need them most. Above all, the Trade Commissioner Service will continue to strive for excellence as it looks forward to another century of service to Canada and to Canadian exporters.

Thank you.