STATEMENT

94/3 CHECK AGAINST DELIVERY

NOTES FOR AN ADDRESS BY THE HONOURABLE ROY MACLAREN, MINISTER FOR INTERNATIONAL TRADE, ON THE OCCASION OF THE DINNER ON **ECONOMIC EMPOWERMENT IN THE NEW SOUTH AFRICA**

JOHANNESBURG, South Africa January 31, 1994



Ladies and gentlemen, distinguished guests:

I am absolutely delighted to be in South Africa at a time of such historic significance and change. This is truly a period of transition for South Africans, and I want to underscore here tonight Canada's intention to be constructively engaged in your efforts to define the "new South Africa."

As you are aware, Canada has been a vociferous advocate for political change in this country, change that would result in each citizen regardless of race or gender being able to exercise the simple right to vote and thereby participate in the democratic process.

That new day is finally arriving on April 27. Nonetheless it is clear that unless political enfranchisement is accompanied by the ability to advance economically in this society, the political freedoms that have been won with such great sacrifice and at such a high cost will be incomplete.

Thus I share the thinking of many of you here tonight that efforts must be made to put an end to economic apartheid. How you set out to achieve this goal is a matter for South Africans to decide. Nonetheless, I can assure you that in those areas in which we as Canadians can be of assistance, we will endeavour to be so.

In this respect I must underscore my personal conviction that the transformation of society cannot be undertaken by a government on its own and without the support of the rest of society. In the economic sphere the co-operation of the private sector is vital.

This is one of the reasons why, as Minister for International Trade on my first visit to South Africa, I invited several leading private-sector participants to join me. I recognize that they have an important role to play that, even with the best will in the world, neither my government nor myself can undertake.

It is the private sector that will engage in trade and investment activities with their South African counterparts. It is the private sector that will enter into joint venture and licensing arrangements with South Africans. And ultimately, it is the flow of new investment from these private-sector activities that will result in the creation of new jobs and the uplifting and empowerment of a broad spectrum of South Africans.

What do we have to offer at this time, you may ask? My role as a minister of the Canadian government is to ensure that the appropriate structures are in place that will permit the private sector to do what it does best. In this regard, since the lifting of sanctions, the Government has endeavoured to reinstate all trade support measures that had been withdrawn when sanctions were imposed. One or two remaining issues are being handled expeditiously.

In terms of specifics we are quite proud of the encouragement that the Canadian Assistance to Black Business in South Africa project, has provided to small, Black entrepreneurs. Since 1989, the project has provided assistance to 81 small, Black-owned companies, in various parts of South Africa but mostly in the townships, which in turn generated an estimated 1800 jobs.

Clients are provided with advice in such areas as marketing, finance, management systems, quality control and industrial management by local Black consultants. The project has exposed many in the previously largely informal, Black private sector to modern business techniques and a number of firms will be able to seek eventual partnership with foreign establishments. Later this week, I plan to visit one or two of these projects. Our government is committed to continuing with this program.

Our Canadian Exporters' Association is also planning a franchising mission to South Africa later this year. It's goal will be to seek potential franchising partners and the focus will be on small- to medium-sized businesses.

With the lifting of investment sanctions Canadian companies can now enter into joint ventures and other arrangements with their South African counterparts. Already, we have in our midst tonight representatives of one company that has taken that step. SA Express is a joint-venture initiative between Canadian and Black South African entrepreneurs to establish and operate a commuter airline service.

We as a government are continuing our substantial support programs for education and training, particularly of public administrators, economic planners and the like. We contributed to the establishment of the Macro-Economics Research Group, which was set up to address the research priorities of immediate concern during the transition to democratic government. As well, in the pre-election period, considerable effort and resources are being devoted to voter education. We recognize that as your needs change, our assistance will need to change and our future policies will reflect this.

When Mr. Nkonyeni, President of the National African Federated Chamber of Commerce and Industry (NAFCOC) visited Canada last October, his pleas and his proposals for Black economic empowerment were reported widely in the Canadian media. Canadian investors listened with great interest. Subsequently we were particularly encouraged to learn of the initiative launched by NAFCOC in December to establish a secretariat within KPMG Aitken and Pitts for processing joint-venture enquiries from overseas. I hope that this will assist foreign investors, in particular Canadians, in identifying appropriate investment partners in South Africa among the previously disadvantaged community.

In conclusion, I must reiterate how privileged I feel to be in South Africa at this time. As a society that is reinventing itself, you have much work to do. But you also have many interested friends abroad who are convinced that given your wealth of material and human resources -- and a determination to succeed -- you will take your rightful place on the African continent and in the wider community of nations, as a proud contributor to the prosperity of the 21st Century.