

STATEMENT DISCOURS



NOTES FOR AN ADDRESS
GIVEN BY THE
HONOURABLE CHARLES LAPOINTE,
MINISTER OF STATE
(EXTERNAL RELATIONS),
AT A SEMINAR TO PROMOTE
MARKET OPPORTUNITIES IN AFRICA,
MONTREAL,
DECEMBER 9, 1982

(TRANSLATION)

LADIES AND GENTLEMEN,

I AM PARTICULARLY PLEASED TO FIND MYSELF HERE TODAY. AS SOME OF YOU ALREADY KNOW, I HAVE ALWAYS ENJOYED WORKING WITH BUSINESSMEN. I HAVE HAD THE OPPORTUNITY IN THE COURSE OF RECENT YEARS TO MEET MANY OF YOU. ALTHOUGH THIS WAS IN A DIFFERENT CAPACITY, THE SUBJECT OF TRADE PROMOTION, A SUBJECT TO WHICH THE CANADIAN GOVERNMENT ATTACHES PARTICULAR IMPORTANCE, HAS ALWAYS BEEN AT THE HEART OF OUR MUTUAL INTEREST.

IN MY PRESENT CAPACITY, I AM CONTINUALLY AWARE OF THE PLACE WHICH THE PROMOTION OF OUR COMMERCIAL INTERESTS SHOULD HOLD AMONG OUR OTHER FOREIGN POLICY CONSIDERATIONS. IT IS THE FIRST PLACE. AS SOME OF YOU KNOW, I AM ONE OF THOSE WHO BELIEVES THAT IT IS ALMOST IMPOSSIBLE TO DEVELOP SIGNIFICANT BILATERAL POLITICAL RELATIONS IN THE ABSENCE OF SUBSTANTIAL COMMERCIAL RELATIONS. FURTHERMORE, OUR POLITICAL SYSTEM AND OUR SPIRIT OF DEMOCRACY ENCOURAGES OUR COUNTERPARTS IN THE PRIVATE SECTOR TO ACT AS A CATALYST AND TO BE THE ENGINE THAT DRIVES GOVERNMENT ACTIVITY.

THUS, IN THE CASE OF MANY AFRICAN COUNTRIES, OUR BILATERAL POLITICAL RELATIONS HAVE IMPROVED AND FUNDAMENTALLY DEVELOPED FROM THE MOMENT WHEN THE CANADIAN PRIVATE SECTOR BECAME AWARE OF THE COMMERCIAL POTENTIAL OF THE CONTINENT AND MADE KNOWN TO THE GOVERNMENT ITS WISH TO PURSUE PROJECTS IN THE COUNTRY, AND

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CONVINCED THE GOVERNMENT OF THE NECESSITY OF BEING ABLE TO DEPEND UPON A POLITICAL SYSTEM AND ENVIRONMENT FAVOURABLE TO IT THERE. THERE ARE CASES WHERE THE GOVERNMENT MUST ASK BUSINESSMEN TO ACT IN THE NATIONAL INTEREST. IN THE SAME WAY AS YOU, WHO BELIEVE THAT YOU HAVE THE RIGHT TO EXPECT THE MAXIMUM SUPPORT POSSIBLE FROM GOVERNMENT WHEN YOU NEED IT, WE BELIEVE THAT WE MAY ASK YOU FOR YOUR UNDERSTANDING AND YOUR SUPPORT WHEN WE NEED IT, THIS IS WHAT I AM ASKING OF YOU TODAY. BY DOING SO, I AM NOT FORGETTING THAT THE PRINCIPAL OBJECT OF THE PRIVATE SECTOR IS THE PURSUIT OF A BETTER RATE OF RETURN FOR ITS ENTERPRISE, I AM ASKING NOTHING MORE OF YOU THAN TO CONTINUE TO MAKE SOUND BUSINESS DECISIONS AND TO ACT IN THE SPIRIT OF OUR MUTUAL INTERESTS. I AM NOT ASKING YOU FOR MONEY, NOR FOR USELESS SACRIFICES, BUT ONLY TO REMEMBER TODAY'S MESSAGE WHEN YOU RETURN TO YOUR OFFICES AND TO THINK ABOUT WHAT YOU MAY DO ABOUT IT.

IF WE ONLY GLANCE AT THE EXPORTS STATISTICS FOR 1981 AND THOSE AVAILABLE FOR THE FIRST 9 MONTHS OF 1982, OUR FIRST REACTION IS TO CONGRATULATE OURSELVES ON THE SUBSTANTIAL TRADE BALANCE IN CANADA'S FAVOUR. IN EXAMINING THESE STATISTICS A LITTLE MORE CLOSELY, HOWEVER, TWO SIGNIFICANT POINTS BECOME APPARANT, ONE BEING STRUCTURAL AND THE OTHER BEING CONJECTURAL.

FIRST OF ALL, ONE NOTES THAT THE SURPLUS OF EXPORTS OVER

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IMPORTS IS NOT DUE TO A SIGNIFICANT INCREASE IN OUR EXPORTS, BUT IS RATHER THE RESULT OF THE FACT THAT OUR IMPORTS HAVE DRAMATICALLY FALLEN. THE REASON FOR THIS IS TWOFOLD: FIRST, OUR IMPORTANT EXPORTS OF AGRICULTURAL PRODUCTS ARE LESS RESISTANT TO THE RECESSION THAN ARE THE EXPORTS OF DURABLE GOODS AND MACHINERY AND BECAUSE, IN DIFFICULT TIMES, WE BUY LESS IMPORTED PRODUCTS, WHETHER EQUIPMENT OR PRIMARY MATERIALS REQUIRED BY MANUFACTURERS WHOSE FINISHED PRODUCTS ARE FINDING FEWER BUYERS. WE IMPORT LESS PETROLEUM. HOUSEHOLDS DECIDE TO KEEP THEIR AUTOMOBILE A COUPLE OF YEARS LONGER OR PUT OFF BUYING ONE OR ANOTHER PRODUCT.

THE PROBLEM WITH SUCH A SITUATION AS FAR AS TRADE IS CONCERNED IS THAT MANY PURCHASES, WHICH ARE PUT OFF, WILL INDEED BE MADE AT A LATER DATE, AS RECESSION RESTRAINS OUR ABILITY TO SATISFY SOME OF OUR NEEDS BUT BECOMES LESS FORCEFUL AS RECOVERY TAKES PLACE. ONCE THE STOCK OF PRIMARY MATERIAL HAS BEEN EXHAUSTED, IT MUST BE REPLACED; A USED OR OBSOLETE MACHINE MUST BE REPLACED. AND AS SOON AS THE ECONOMY RESUMES ITS COURSE, THE VOLUME OF OUR IMPORTS WILL QUICKLY RE-ESTABLISH ITSELF. TO OFFSET THIS BOOMERANG EFFECT, IT IS IMPORTANT TO ENSURE THAT OUR EXPORTS GROW AT THE SAME PACE. A NUMBER OF FACTORS COME INTO PLAY HERE AND OUR COMPETITIVE POSITION IS AT TOP OF THE LIST. IN THIS REGARD, AND AS THE PRIME MINISTER EXPLAINED, THE GOVERNMENT BELIEVES THAT ITS POLICY OF SIX AND FIVE PER CENT, WITHOUT BEING A

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CURE, IS FUNDAMENTAL TO MAINTAINING A COMPETITIVE CANADIAN POSITION IN INTERNATIONAL MARKETS.

I WISH TO ADD THAT IF OUR EXPORTS MUST INCREASE RELATIVE TO THE EXPECTED INCREASE IN OUR IMPORTS, THIS IS ALSO NECESSARY TO ENSURE THAT WE MAINTAIN OUR PRESENT STANDARD OF LIVING AS WE KNOW IT, AND TO ALLOW FOR THE PURSUIT OF SOCIAL, ENERGY AND INDUSTRIAL POLICIES ESTABLISHED BY THE GOVERNMENT.

OUR EXPORTS MUST GROW TO ALLOW OUR ECONOMY TO SAFELY ABSORB - AND TO BALANCE-THE RUSH OF DEMAND FOR IMPORTED PRODUCTS WHICH IS SUPPRESSED BUT NOT YET SATISFIED TODAY.

THE SECOND ANOMALY, THE STRUCTURAL ONE, WHICH YOU ALSO KNOW VERY WELL, CONCERNS THE DIRECTION OF TRADE. NEARLY 75% OF OUR PRODUCTS ARE EXPORTED TO THE UNITED STATES. WHAT IS NOT EVIDENT IN THE FIGURES, HOWEVER, IS THE SERIOUS PROBLEMS AFFECTING OUR DELIVERIES TO OUR AMERICAN CLIENTS. YOU HAVE HEARD VIA THE MEDIA, THE DIFFICULTIES WHICH OUR EXPORTERS ARE ENCOUNTERING IN WOOD PRODUCTS SALES. THIS IS ONLY ONE EXAMPLE AND THERE ARE MANY OTHER CASES. IT'S IMPORTANT TO SEE THESE THINGS AS THEY ARE: IN RESPONSE TO PERSISTENT REPRESENTATIONS FROM INDUSTRIES, REGIONS AND LOBBY GROUPS, THE AMERICAN CONGRESS IS ADOPTING LAWS WITH PROTECTIONIST IMPLICATIONS. THE RULES OF INTERNATIONAL TRADE

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REMAIN IN FORCE, AS THE RECENT MINISTERIAL GATT MEETING DEMONSTRATED. THIS IS IMPORTANT FOR OUR COUNTRY. BUT YOU MUST FEEL THE SAME CONCERN NONETHELESS THAT I DO, OR AS YOU SAY IN BUSINESS, YOU MUST SENSE THE RISK, A RISK WHICH IS DIFFICULT TO CONTROL, BUT A RISK ALL THE SAME, AND A RISK WHICH MUST BE DEALT WITH AT ALL COSTS.

THEREFORE, IT'S NECESSARY TO INCREASE OUR EXPORTS AND TO DIVERSIFY OUR MARKETS AS MUCH AS POSSIBLE. I'M NOT SAYING TO FORGET THE AMERICAN MARKET! FAR FROM THAT. IT REMAINS OUR MOST IMPORTANT IMPORTANT MARKET. I SIMPLY WANT TO UNDERLINE THAT THE PROPORTION OF OUR BILATERAL TRADE WITH THE UNITED STATES IS SUCH THAT WE WOULD BE IN THE FOREFRONT OF AMERICA'S TRADING PARTNERS TO SUFFER FROM A DETERIORATION OF MARKET ACCESS CONDITIONS.

WHY NOT LOOK OVER THE ATLANTIC TO THE LARGEST WORLD MARKET: THE EUROPEAN ECONOMIC COMMUNITY. THE COMMUNITY IS LARGE MARKET, AN ALMOST AUTONOMOUS STATE, WHICH IS FACED WITH SERIOUS STRUCTURAL DIFFICULTIES. THE GROWTH RATE IS HARDLY EXCITING IN THE SHORT AND MEDIUM TERM. CANADIANS, NONETHELESS, ARE WELL REPRESENTED THERE AND ADDITIONAL EFFORTS SHOULD BRING GOOD RESULTS. THERE IS ALSO JAPAN, NOTWITHSTANDING THE DIFFICULTIES WE EXPERIENCE IN SELLING ANYTHING OTHER THAN PRIMARY GOODS. CANADA AND MANY OF OUR TRADING PARTNERS ARE MAKING CONCERTED EFFORTS TO

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CONVINCE OUR JAPANESE BUSINESS FRIENDS THAT, IF OUR RELATIONS ARE GOING TO REMAIN HEALTHY, THERE MUST BE ADVANTAGES AND BENEFITS FOR BOTH PARTIES. IF ONE OR THE OTHER PARTY FINDS ITSELF DISADVANTAGED, THE FOUNDATIONS OF THE RELATIONSHIP WILL CRUMBLE.

THEN THERE ARE THE DEVELOPING COUNTRIES AND THERE, THE POTENTIAL FOR AN INCREASE OF OUR EXPORTS IS CONSIDERABLE. THE POOREST COUNTRIES NEED EVERYTHING, WHILE THE COUNTRIES WHICH HAVE REACHED AN INTERMEDIATE STAGE OF DEVELOPMENT REQUIRE THE PRODUCTS WHICH WE DEVELOPED FOR OUR OWN, PRODUCTS WHICH WE MANUFACTURE QUICKLY, WELL AND AT A COMPETITIVE PRICE BECAUSE WE HAVE THE CAPABILITY IN AGRICULTURE, FORESTRY, TELECOMMUNICATIONS AND TRANSPORT SECTORS. THINK OF WHAT WE HAVE HAD TO INVENT, ADAPT AND IMPROVISE FOR OURSELVES, IN ORDER TO SURVIVE AND THEN TO DEVELOP OUR COUNTRY. IT IS IN THESE AREAS WHERE WE ARE MOST EASILY ABLE TO EXPORT AND WHERE WE HAVE A DISTINCT ADVANTAGE. THE NEWLY INDUSTRIALIZED COUNTRIES ARE BEGINNING TO DEMAND THESE RECENTLY DEVELOPED PRODUCTS, PRODUCTS OF THE BEST DESIGN. THEY ARE INTERESTED IN ACCESS TO HIGH TECHNOLOGY AND MORE SOPHISTICATED PRODUCTS WHICH THEIR MANPOWER IS NOW ABLE TO USE, ADJUST AND REPAIR IF NECESSARY. WE HAVE THE CAPABILITY TO RESPOND TO THEIR DEMANDS.

WE ONLY NEED THE BOLDNESS TO COMPETE WITH THE EUROPEANS

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THE JAPANESE AND THE AMERICANS. BOLDNESS: IT'S MORE THAN THE CONCEPT OF BOLDNESS AND TENACITY. IT IS, ABOVE ALL, TO TAKE A DECISION; THE WILL TO PURSUE A GOAL AND THE PATIENCE. NOW COMES THE TRUE ESSENCE OF BOLDNESS, WHICH IS TO CALCULATE YOUR PRICE WITHOUT INSISTING ON EXCESSIVE PROFIT MARGIN, YET TO ALLOW FOR RISK WITHOUT INCLUDING A LARGE CUSHION FOR UNFORESEEN MAJOR CONTINGENCIES. IT'S TO GO AHEAD WITH THE BEST INFORMATION POSSIBLE WITHOUT FEAR, WITHOUT DRAWING BACK AT THE FIRST OBSTACLE. IT IS ALSO RESPECTING YOUR CLIENT AND ASSISTING HIM WITH USEFUL CONTACTS IN OUR BUSINESS COMMUNITY.

I PERSONALLY HAVE TAKEN A STAND. IT IS NECESSARY AND I WOULD EMPHASIZE THAT IT IS IMPORTANT TO STIMULATE EXPORTS TO DEVELOPING COUNTRIES. THERE ARE PROBLEMS AND I WILL TOUCH UPON THEM . THERE ARE SOLUTIONS AND I WILL SPEAK ABOUT THEM. BUT WE MUST, AND YOU MUST MAKE SERIOUS EFFORTS TO EXPORT TO DEVELOPING COUNTRIES IF WE ARE GOING TO PROSPER ECONOMICALLY AMONG THE MAJOR INDUSTRIALIZED COUNTRIES. CERTAIN OF YOU ARE DOING IT AND KNOW WHAT WE CAN DO COLLECTIVELY TO HELP OURSELVES. THE CANADIAN GOVERNMENT UNDERSTANDS THAT FACT AND IS READY TO PUT ITS RESOURCES AT YOUR DISPOSAL.

WE HAVE ORGANIZED EVENTS OF THIS KIND FOR LATIN AMERICA AND ASIAN COUNTRIES. THIS TIME WE WANTED TO DO SOMETHING SPECIAL

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FOR AFRICA. THE AFRICAN MARKET IS NOT NEW AND IN FACT IS KNOWN TO A NUMBER OF YOU. IT IS EXPANDING AND DEVELOPING. THIS SEMINAR GIVES US THE OPPORTUNITY TO BETTER PREPARE OURSELVES AND GO FORWARD WITHOUT TAKING UNUSUAL RISKS.

IN THIS CONTEXT, AND BEARING IN MIND THE VARIOUS MARKETS OPEN TO YOU, WE MUST FIRST ASK A QUESTION. WHY AFRICA? BEFORE REPLYING, LET'S SURVEY OUR ASSETS. OUR MOST PRECIOUS ASSET IS PROBABLY OF HARMONY OF CANADIAN AND AFRICAN BILINGUALISM. FRENCH AND ENGLISH ARE COMMONLY USED. EVEN COUNTRIES SUCH AS ANGOLA AND MOZAMBIQUE, FORMER PORTUGUESE COLONIES, HAVE MAINTAINED FRENCH AND ENGLISH AS SECOND LANGUAGES AND THEIR USE IS SUFFICIENTLY WIDESPREAD TO PERMIT COMPANIES TO OPERATE THERE COMFORTABLY. THIS HAS PERMITTED A NUMBER OF COMPANIES SUCH AS MASSEY FERGUSON, BOMBARDIER, GM, SOFATI, LAVALIN AND SNC TO OBTAIN IMPORTANT CONTRACTS BOTH IN NORTH AFRICA AND IN WEST AFRICA AND EVEN IN EAST AFRICA. THIS IS TO SAY IN EFFECT THAT ALL AFRICAN MARKETS ARE ACCESSIBLE TO CANADIANS.

THE SECOND ASSET IS THE POSSESSION OF APPROPRIATE TECHNOLOGY FOR DEVELOPMENT WHICH HAS, IN EFFECT, ATTRACTED CONSULTANTS AND ENGINEERING COMPANIES TO AFRICA. THEY ARE ABLE TO COORDINATE DIFFERENT TECHNIQUES REQUIRED FOR INTEGRATED PROJECTS. IT IS ALSO THE CASE FOR MANUFACTURERS WHICH, THANKS TO SUSTAINED

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EXPORT EFFORTS AND RESEARCH AND DEVELOPMENT PROGRAMS, MANAGED TO SHOW THEIR COMPETITIVENESS IN FOREIGN MARKETS. FOR EXAMPLE, THE USE OF NEW AND APPROPRIATE TECHNOLOGY HAS BEEN A FUNDAMENTAL FACTOR IN BOMBARDIER OBTAINING A RECENT CONTRACT IN TUNISIA FOR THE SUPPLY OF 22 LOCOMOTIVES AND THAT IN THE FACE OF FEROCIOUS COMPETITION FROM A DOZEN COUNTRIES.

A THIRD POINT. CANADA DOES NOT HAVE A COLONIAL PAST AND ITS REPUTATION IS AN IMPORTANT FACTOR IN COUNTRIES WHICH, WITHOUT CHANGING ORIENTATION, HAVE THOUGHT OF SUBSTITUTING DIFFERENT PARTNERS FOR FORMER COLONIAL RELATIONSHIPS. I CAN ASSURE YOU THAT THIS FACTOR HAS CONSIDERABLE IMPORTANCE FOR AFRICA. CERTAINLY, DURING MY OFFICIAL VISITS ON THIS CONTINENT, AFRICANS HAVE ALWAYS DRAWN ATTENTION TO OUR ABSENCE OF A COLONIAL PAST AND OUR POLICY OF NON-INTERFERENCE. THIS IMAGE IS ALSO RELATED TO NORTH AMERICAN TECHNOLOGY WHICH WE CAN OFFER IN BOTH LANGUAGES. THIS IS NOT THE CASE FOR OUR NEIGHBOURS TO THE SOUTH. FINALLY, I MUST NOTE THE PHILOSOPHY WHICH HAS INSPIRED THE GOVERNMENT IN THE CONTEXT OF

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NORTH-SOUTH RELATIONS. IN THIS CONTEXT, WE HAVE MADE A PARTICULAR EFFORT TO UNDERSTAND THE NEEDS AND ASPIRATIONS OF DEVELOPING COUNTRIES IN ORDER TO GIVE THEM THE SAME OPPORTUNITY THAT WE ENJOY IN CANADA.

IN ADDITION, CANADIANS POSSESS MANY OF THE THE NATURAL RESOURCES, PARTICULARLY MINERAL RESOURCES, WHICH ARE ALSO FOUND IN AFRICA AND WHICH WE ARE CAPABLE OF DEVELOPING. OUR EXPERIENCE AS A FORMER COLONY HAS GIVEN US AN UNDERSTANDING IN A CERTAIN MEASURE, OF SIMILAR DEVELOPMENT PROBLEMS AND PROBLEMS OF ECONOMIC INDEPENDENCE. AS IN AFRICA, CANADA HAS DEALT WITH DIFFICULT PROBLEMS RELATING TO GEOGRAPHY, DISTANCE, AND CLIMATIC CONDITIONS. WE CAN THEREFORE ASSIST THESE COUNTRIES TO IDENTIFY THEIR NATURAL RESOURCES AND THEN FURNISH OUR EXPERTISE TO DEVELOP THEM. IN RECENT YEARS, CIDA HAS PLAYED AN IMPORTANT ROLE IN FINANCING NUMEROUS STUDIES IN THE FORESTRY SECTOR AND IN IDENTIFYING MINERAL RESOURCES. THE PRIVATE SECTOR IN CANADA HAS ALSO MADE SIGNIFICANT INVESTMENTS IN DEVELOPING THESE RESOURCES. I CAN GIVE EXAMPLES OF ALCAN AND NORANDA MINES' PARTICIPATION IN BAUXITE MINING IN GUINEA. THE ESTABLISHMENT OF PETRO-CANADA INTERNATIONAL WILL PERMIT OUR EXPERTISE IN THE PETROLEUM INDUSTRY TO BE PUT AT THE DISPOSAL OF SOME AFRICAN COUNTRIES. ALREADY, TWO PROTOCOLS HAVE BEEN SIGNED WITH TANZANIA AND SENEGAL, THE LAST WAS SIGNED DURING MY RECENT VISIT TO SENEGAL IN OCTOBER. I BELIEVE, HOWEVER, THAT A

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LOT REMAINS TO BE DONE IN THIS AREA AND I ENCOURAGE YOU STRONGLY TO FOLLOW UP ON OPPORTUNITIES.

THESE ARE THE ASSETS WHICH SHOULD BE EXPLOITED MORE IN COMING YEARS IF CANADA WISHES TO AUGMENT ITS SHARE OF THE AFRICAN MARKET.

DESPITE THESE ADVANTAGES, CANADIAN COMPANIES WHICH WISH TO EXPAND INTO THE AFRICAN MARKET ARE CONTINUALLY CONFRONTED BY MANY DIFFICULTIES WHICH MUST NOT BE DISCOUNTED. FURTHER, OUR COMPETITORS OFFER STRONG FINANCING INSTRUMENTS WHICH ARE MADE AVAILABLE TO THEM TO PURSUE IMPORTANT PROJECTS. WE RECOGNIZE THIS STATE OF AFFAIRS AND THE GOVERNMENT OF CANADA HAS UNDERTAKEN TO ENHANCE YOUR EFFORTS BY PROVIDING COMPETITIVE FINANCING.

MORE THAN 40% OF OUR BILATERAL AID PROGRAMS ARE DEVOTED TO AFRICA, PARTICULARLY IN SECTORS THAT CORRESPOND TO OUR CAPABILITIES: ELECTRIFICATION, ENERGY, TELECOMMUNICATION, TRANSPORT, FORESTRY, ETC. THESE CONTRACTS, AS YOU WILL REALIZE, REPRESENT A GATEWAY TO EXPAND YOUR ACTIVITIES IN AFRICA. FURTHERMORE, AN INCREASING PORTION OF CIDA FUNDS ARE AVAILABLE FOR PARALLEL FINANCING WITH EDC. FOR EXAMPLE, A CASE IN POINT IS TUNISIA WHERE CIDA HAS ESTABLISHED A LINE OF CREDIT OF \$20 MILLION

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IN PARALLEL WITH AN \$80 MILLION EDC LINE OF CREDIT, OR SIMILARLY IN CAMEROON WHERE CIDA IS ESTABLISHING ANOTHER LINE OF CREDIT OF APPROXIMATELY \$50 MILLION IN PARALLEL WITH AN EDC CREDIT OF \$100 MILLION U.S. THE DESIRED OBJECTIVE IN THIS CASE IS TO PROVIDE COMPETITIVE FINANCING WHILE ADHERING TO INTERNATIONAL DEVELOPMENT ASSISTANCE OBJECTIVES. THE GOVERNMENT HAS ALSO PUT INTO PLACE A SPECIAL ENVELOPE OF CREDIT MIXTE IN ORDER TO ASSIST YOU TO RESPOND TO RATES OFFERED BY OUR COMPETITORS WHEN WE KNOW THAT THEY ARE USING CREDIT MIXTE.

APART FROM THE FINANCING AVAILABLE AT THE BILATERAL LEVEL, I SHOULD ADD THE FINANCING FACILITIES ARE ALSO AVAILABLE FROM MULTILATERAL DEVELOPMENT BANKS, SUCH AS THE WORLD BANK AND THE AFRICAN DEVELOPMENT BANK. IN 1981, THE WORLD BANK COMMITTED \$3 BILLION TO FINANCING PROJECTS IN AFRICA. DESPITE CANADA'S IMPORTANT CONTRIBUTION TO THESE ORGANIZATIONS, THE COMMERCIAL PROCUREMENT THAT CANADA REALIZES, REMAINS MODEST, THAT IS, APPROXIMATELY 2% OF ALL THE PROJECTS FINANCED BY THE WORLD BANK. IT MUST BE RECOGNIZED THAT WE HAVE HAD A SATISFYING RATE OF RETURN WHEN YOU HAVE BID ON PROJECTS THAT ARE OFFERED BY THESE ORGANIZATIONS.

WE WILL DEVOTE EQUALLY MORE EFFORTS TO ACCESS THE ARAB FUNDS WHICH ARE INVESTING SIGNIFICANT SUMS IN AFRICA, PARTICULARLY IN COUNTRIES WITH A DOMINANT MUSLIM POPULATIONS. SINCE ITS REORGANIZATION, CIDA HAS ESTABLISHED THE POSITION OF VICE-PRESIDENT RESPONSIBLE FOR RELATIONS WITH FINANCING ORGANIZATIONS WHICH WILL INVESTIGATE THE POSSIBILITY OF CO-FINANCING WITH THESE INSTITUTIONS AND THE CLIENT. FOR ITS PART, THE EXPORT DEVELOPMENT CORPORATION HAS ALSO CREATED A NEW POSITION TO EXPLORE CO-FINANCING POSSIBILITIES. AS YOU SEE, THE POSSIBILITIES ARE THERE AND IT'S FOR YOU TO TAKE ADVANTAGE OF THEM.

THERE ARE OTHER DIFFICULTIES; OUR EUROPEAN COMPETITORS ARE WELL ESTABLISHED IN AFRICA AND HAVE A NETWORK OF AFRICAN AND EXPATRIATE CONTACTS WHICH HAVE BEEN THERE FOR MANY DECADES. NONETHELESS, THROUGH THE EFFORTS OF CIDA AND CERTAIN FIRMS SUCH AS CEGIR, MORE CANADIAN TECHNICAL COUNSELLORS NOW ARE PLACED IN DEPARTMENTS AND AGENCIES IN MANY AFRICAN COUNTRIES. A GROWING NUMBER OF AFRICANS ARE BEING TRAINED IN CANADA AND RETURN TO THEIR COUNTRIES WITH A POSITIVE IMAGE OF CANADA AND OF ITS CAPABILITIES IN KEY SECTORS OF DEVELOPMENT.

THE DISTANCE BETWEEN CANADA AND THE CONTINENT OF AFRICA, AND THE ABSENCE OF DEPENDABLE MEANS OF RAPID COMMUNICATION AND

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TRANSPORTATION ALSO REPRESENT A MAJOR DIFFICULTY. I WISH TO STATE THAT WE HAVE STARTED TO FIND SOLUTIONS TO THE PROBLEMS WHICH WILL ENABLE US TO INCREASE COMPETITIVENESS IN THESE MARKETS.

FOR INSTANCE, LOGTRANS OF MONTREAL HAS ESTABLISHED ITSELF IN CAMEROON AND IS PURSUING EFFORTS IN THE IVORY COAST IN ORDER TO IMPROVE MARITIME TRANSPORTATION BETWEEN OUR TWO CONTINENTS. AS ANOTHER EXAMPLE, STUDIES ARE PREPARED WHICH INVESTIGATED THE POSSIBILITY OF ESTABLISHING DIRECT AIRLINE ROUTES BETWEEN CANADA AND WEST AFRICA. AIR AFRIQUE IS ALSO INTERESTED IN ESTABLISHING A CARGO LINE BETWEEN CANADA AND WEST AFRICA.

WE UNDERSTAND THE MARKET CONDITIONS VERY WELL. WE KNOW THAT YOU MUST MAKE SPECIAL EFFORTS TO ADAPT YOUR YOUR MARKETING TECHNIQUES TO THE AFRICAN MARKET, ENSURE AN ADEQUATE AFTER-SALE SERVICE AND UNDERSTAND AFRICAN BUSINESS PRACTICES . I'M CONVINCED THAT YOU WILL BE ABLE TO DEAL WITH THESE REQUIREMENTS AND I CAN ASSURE YOU OF THE SUPPORT OF MY GOVERNMENT TO DO THIS, WHETHER BY ADVICE, VISITS OF MINISTERS OR SENIOR OFFICIALS TO SUPPORT YOUR EFFORTS, OR EQUALLY WITH SUCH PROGRAMS AS FAIRS AND MISSIONS OR THE PROGRAM FOR EXPORT MARKET DEVELOPMENT.

THE CANADIAN GOVERNMENT PUTS AT YOUR DISPOSAL A RANGE OF SERVICES TO HELP YOU ACCOMPLISH YOUR OBJECTIVES IN AFRICA.

ELEVEN EMBASSIES AND HIGH COMMISSIONS IN AFRICA HAVE A COMMERCIAL DIVISION WHOSE REPRESENTATIVES ARE GATHERED HERE TODAY. THESE CAPABLE PEOPLE ARE ABLE TO INTRODUCE YOU TO THE MARKETS, TO EXPLAIN TO YOU THE SPECIAL CONDITIONS OF THE MARKET, TO DIRECT YOU TO CONTACTS AND AGENTS WHICH CAN ASSIST YOU IN THE PURSUIT OF YOUR OBJECTIVES. OUR POSTS ARE EQUALLY ABLE TO PUT YOU IN CONTACT WITH CANADIAN BUSINESSMEN ALREADY ACTIVE IN A GIVEN COUNTRY. THEIR EXPERIENCE AND KNOWLEDGE OF LOCAL CONDITIONS ARE MAJOR ASSETS THAT ARE NOT ALWAYS EXPLOITED. OUR SUCCESS WILL DEPEND IN CONSIDERABLE MEASURE ON OUR CAPACITY TO HELP ONE ANOTHER IN THE FACE OF FIERCE COMPETITION. BEYOND THE SERVICES ABROAD, THE DEPARTMENT OF EXTERNAL AFFAIRS AND THE DEPARTMENT OF REGIONAL INDUSTRIAL EXPANSION PUTS AT YOUR DISPOSAL EXPERIENCED PEOPLE IN OTTAWA AND HERE IN EDMONTON WITHIN OUR REGIONAL BUREAU. THESE SERVICES CAN HELP YOU COORDINATE YOUR MARKET STRATEGY IN TERMS OF OUR PRIORITIES IN AFRICA AND THE POSSIBILITIES THAT EACH MARKET OFFERS FOR CANADIAN GOODS AND SERVICES. SOME OF THESE OFFICIALS ARE ALSO HERE TODAY. AND YOU COULD MAKE PRELIMINARY CONTACT WITH THEM IN THE COURSE OF THE AFTERNOON IF YOU HAVEN'T ALREADY DONE SO.

HOWEVER, DESPITE THIS PANOPLY OF SERVICES, THE CANADIAN GOVERNMENT CANNOT SUBSTITUTE FOR THE PRIVATE SECTOR. YOU HAVE AN IMPORTANT RESPONSIBILITY IN THIS AREA. THUS, YOUR APPROACH TO AFRICA MUST BE AN INTEGRAL PART OF YOUR MARKETING STRATEGY. IN THE FIRST PLACE, YOU WILL HAVE TO IDENTIFY THE MARKETS OFFERING THE MOST

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POTENTIAL FOR YOUR GOODS AND SERVICES. FREQUENT VISITS ARE REQUIRED IN ORDER TO PERMIT YOU TO STUDY THE MARKET AND THE COMPETITION, TO IDENTIFY CONTACTS AND AGENTS OR INTERMEDIARIES. THE CANADIAN GOVERNMENT SUPPORT CAN ONLY BE PROPORTIONAL TO YOUR OWN INVOLVEMENT.

AS YOU KNOW, DEVELOPING EXPORT MARKETS IS A FULL-TIME LONG-TERM ACTIVITY. AND AFRICA IS NOT AN EXCEPTION. TO THE CONTRARY, IT'S WITHOUT DOUBT ONE OF THE CONTINENTS WHICH WILL DEMAND OF YOU THE GREATEST PERSEVERANCE BECAUSE OF ITS DIVERSITY AND OF ITS FORMER COLONIAL LINKS. HOWEVER, A SERIOUS INVOLVEMENT CAN ONLY RESULT IN FRUITFUL BENEFITS FOR MANY YEARS.

CONCLUSION

BEYOND MORAL REASONS IN TERMS OF OUR INTEREST IN ASSURING INTERNATIONAL PEACE AND SECURITY, CANADIANS WORK FOR A MORE COMPLETE INTEGRATION OF DEVELOPING COUNTRIES IN THE INTERNATIONAL ECONOMIC SYSTEM, AS A GAGE OF THE STABILITY OF THE SYSTEM AND THE GROWTH OF OUR OWN ECONOMY AND WELL-BEING. AFRICAN COUNTRIES CANNOT BE KEPT OUT OF THIS POLICY.

.../17

I AM HERE THEN TODAY TO ASK YOU, AND I DO IT BEARING IN MIND BOTH YOUR INTERESTS AND THOSE OF CANADA, I ASK YOU TO INVOLVE YOURSELF MORE IN AFRICA, TO INTRODUCE OUR COUNTRY THERE, THROUGH EXPORT AND IN CERTAIN CASES IN SHARING YOUR TECHNOLOGY IN MANUFACTURING OR ASSEMBLING YOUR PRODUCTS ON THE SPOT. THE INDUSTRIAL COOPERATION PROGRAM OF CIDA AND THOSE OF EXTERNAL AFFAIRS ARE AVENUES TO BE EXPLORED IF YOU WARRANT THE RISK TOO GREAT FOR YOUR MEANS.

IN THE END, IN RESPECTING OUR MUTUAL INTERESTS, WE WILL SUCCEED. TO A GREAT EXTENT, OUR ECONOMIC FUTURE AMONG THE GREAT NATIONS OF THIS WORLD WILL DEPEND ON OUR SUCCESS.