



News Release

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WILSON RELEASES FIRST INTERNATIONAL TRADE BUSINESS PLAN

The Honourable Michael Wilson, Minister of Industry, Science and Technology and Minister for International Trade, today released Canada's first-ever International Trade Business Plan.

"This is a practical, hands-on document that will help Canadian businesses establish plans and priorities for foreign market opportunities in the coming year," Mr. Wilson said, during a Toronto speech wrapping up national Investment Month activities.

As a business tool, the Plan includes a list of 1992-93 government-sponsored market development activities in all major sectors and all regions of the world.

"By presenting a cohesive International Trade Business Plan to industry, the provinces and the public at large, the government is helping to direct exporters and potential exporters to promising markets by outlining the federal programs and activities that can open doors to those markets," the Minister said.

"The market development focus of this Plan will also enhance exporters' ability to take advantage of the growing opportunities created by the Canada-U.S. Free Trade Agreement and the new markets that will flow from a successful North American Free Trade Agreement and the Uruguay Round of Multilateral Trade Negotiations.

"We are also issuing this Plan to generate comment from business, to help ensure that our priorities and objectives are in balance," Mr. Wilson added.

The Plan was developed in close consultation among External Affairs and International Trade Canada; Industry, Science and Technology Canada; and Investment Canada. It will result in a

more coherent approach to trade, technology and investment matters.

The International Trade Business Plan will:

- promote broader appreciation of the important global challenges and opportunities before Canada,
- underline the need for Canadians to develop an outward-looking "trading culture,"
- enhance awareness of current federal policies, programs and activities to assist Canadian firms in their efforts to remain internationally competitive,
- encourage ongoing dialogue between the private sector and the federal government to ensure that government priorities, strategies and programs meet the real needs of Canadian companies, and
- help co-ordinate trade activities with provinces to improve efficiency and reduce duplication.

"Canada's high standard of living is largely due to our capacity to be competitive in foreign markets," Mr. Wilson said. "The International Trade Business Plan is an element of our overall trade agenda to make Canada more internationally competitive. The larger Prosperity Initiative, of which trade is part, emphasizes not only that we must compete, but that we can."

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BACKGROUND

The International Trade Business Plan sets out the international trade, investment and technology acquisition strategies, programs and activities of External Affairs and International Trade Canada (EAITC), Industry, Science and Technology Canada (ISTC) and Investment Canada.

The Plan provides an overview of each geographic market and industry sector; a summary of our proposed programs and activities by industry sector, organized by market and date with contact phone numbers; a summary list of available programs and a list of regional contacts.

Market Overview and Strategies

The following are the major elements in the Plan related to market opportunities and strategies:

- The U.S. is our most important trading partner, absorbing 75 per cent or \$105 billion of Canada's merchandise exports in 1990. Canadian companies are increasingly taking advantage of opportunities presented by the implementation of the Free Trade Agreement (FTA). Priority sectors for this market include computers, telecommunications and the environment. Other priorities include the education of new exporters to the U.S. market and helping more traditional industries develop niche markets.
- By the year 2000, Latin America and the Caribbean will provide a market of 600 million people with a purchasing power of US\$1 trillion. A central element of the Latin American strategy is completion of a North American Free Trade Agreement among Mexico, Canada and the United States. Priority sectors for this region include agri-food, power, and construction equipment, automotive parts and advanced technologies.
- With 1990 exports of \$8.2 billion and \$50 billion in direct and portfolio investment in Canada, Japan is our second-largest customer and a major source of investment, technology and tourism revenues. Canada's strategy for this market is to expand exports of manufactured goods, acquire technology and promote Canada as a target for investment and tourism, while continuing to export natural resources.
- East Asia is a region of tremendous economic diversity and market potential. Key priority sectors include agri-food, telecommunication and transportation equipment, energy and power technology, health products, financial and educational services, and space systems.

- Canada's total exports to Western Europe in 1990 were \$13.2 billion, of which \$11.7 billion went to the European Community (EC). Key strategic priorities for this market are aerospace products and systems, advanced technologies, agri-food, fisheries, transportation equipment and building materials.
- Central/Eastern Europe and the Commonwealth of Independent States are emerging markets of 400 million people offering long-term potential for trade and investment links. Energy equipment, telecommunications and space systems, and agri-food are priority sectors. Other priorities include supporting joint ventures and establishing double taxation and foreign investment protection agreements.

Industry Strategies and Activities

The International Trade Business Plan describes the specific strategies being pursued by the federal government to support the efforts of key Canadian industries.

Industries described include aeronautics, agri-food and seafood products, automotive, bio-industries and health care, chemicals, commercial service and construction, consumer products, electrical and energy, environmental, forest products, industrial equipment and technology, information technologies, materials, ocean industries, space and defence-related technologies, tourism, and urban transit and rail.

Programs and Services

Canadian exporters can participate in trade development activities with the support of a number of programs and services in EAITC, ISTC, and Investment Canada.

Major technology and investment programs and services offered by the government are also outlined in the Plan. Among the major programs exporters have access to are the Program for Export Market Development (PEMD), the Japan Science and Technology Fund (JSTF), the Investment Development Program (IDP) and the Defence Industry Productivity Program (DIPP).