



## News Release

## Communiqué

No. 48

March 1, 1993

### WILSON LAUNCHES ACCESS NORTH AMERICA PROGRAM TO PROMOTE NAFTA OPPORTUNITIES

The Honourable Michael Wilson, Minister of Industry, Science and Technology and Minister for International Trade, today launched a major new trade initiative to help Canadian companies to take advantage of opportunities arising out of the North American Free Trade Agreement (NAFTA).

The program, called **Access North America: Making the NAFTA Work for Canadians**, is an important component of the government's response to the Prosperity Initiative Action Plan.

"Now that the NAFTA legislation has been introduced in Parliament, we have set the stage for new trade and investment opportunities in North America," Mr. Wilson said. "Access North America will help companies to turn those opportunities into sales and jobs."

The total cost of this program will be \$27 million over four years. The funds represent a new commitment by the government to develop Canada's trade with one of the most dynamic economies in the world.

"Mexico is a fast-growing economy that will need environmental services, telecommunications products, infrastructure expertise, new technology, and other goods and services that Canada produces. Many Canadian businesses have already begun to show increased interest in the Mexican market -- simply because of the exposure given to that market by the NAFTA negotiations," the Minister said.

"Access North America will help these and other Canadian companies to build a strong and lasting presence in Mexico. This comes directly on the heels of the official opening last month of a new Canadian Trade Office in Monterrey, site of last year's highly successful Canada Expo '92 trade show," Mr. Wilson said.

The Minister noted that this initiative contains some innovative features that will introduce small and medium-sized Canadian firms to the Mexican market and provide on-the-ground business assistance to Canadians in Mexico.

Program components include the establishment of a Canadian Business Centre in Mexico City that will provide a wide range of services to Canadian firms doing business in Mexico, a New Exporters to Mexico (NEWMEX) Program that will introduce new exporters to Mexico through on-site briefings and an expanded Fairs and Missions Program. The Business Centre will also offer a venue for Canadian trade shows in that country.

In addition, Access North America contains an extensive market information and export education component, as well as programs to capture investment opportunities arising out of the NAFTA.

"By increasing exports and jobs in Canada, Access North America will contribute to Canada's overall competitiveness and prosperity," the Minister said.

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## Backgrounder

### ACCESS NORTH AMERICA: MAKING THE NAFTA WORK FOR CANADIANS

#### Background

- The government introduced legislation to implement the North American Free Trade Agreement (NAFTA), following fourteen months of negotiations with the United States and Mexico. The Agreement is scheduled to come into force on January 1, 1994.
- The Agreement provides significant opportunities for Canadian industry to gain access to the Mexican market and solidify its position in the U.S. market.
- Benefits of the NAFTA include:
  - comprehensive liberalization or removal of Mexican trade and investment barriers, including the elimination of its tariffs;
  - preservation of the gains made in the Canada-U.S Free Trade Agreement (FTA);
  - significant liberalization of the U.S. government procurement regime, including the addition of the U.S. Army Corps of Engineers;
  - clearer North American content rules and improved customs procedures; and,
  - broad coverage of services, including land transportation services, specialty air services, financial services, etc.
- Since negotiations on the Agreement began, the interest of Canadian companies in the Mexican market has grown dramatically. For example, Canadian business visitors to the Canadian Embassy in Mexico City have increased from 2,100 in 1991 to 4,500 in 1992. Canadian exports to Mexico increased by 37 per cent in 1992, to reach \$770 million.
- The NAFTA builds on the success of the FTA. Despite the recession, last year Canadian exports to the United States grew by 13.6 per cent to \$122.3 billion.

- Our exports to the United States are setting record levels month after month. In 10 out of 12 months of 1992, our exports to the United States established new all-time monthly records.
- Our merchandise trade surplus with the United States was a record \$17.7 billion in 1992, \$3.8 billion or 27.3 per cent higher than the previous year.
- All this is having a positive effect on job creation: a net total of 118,000 jobs were created in 1992.
- The government has supported Canadian companies in their efforts through an intense program of trade development that includes specific export promotion strategies developed in partnership with the private sector, support for participation in trade fairs, missions, the provision of export education, including New Exporters to Border States (NEBS) activities and market information dissemination.

#### **The Program: Access North America**

- To capitalize on the access achieved in the NAFTA, the government has created the program Access North America with the theme Making the NAFTA Work for Canadians.
- The program has four main features:
  1. NEWMEX (New Exporters to Mexico) is an educational trade development program to introduce Canadian exporters to the specifics of the Mexican market. It will be based on the principle of taking new exporters to the Mexican market and providing them with information on the market through meetings with market specialists, the banking community, and trade and customs experts. It is modelled after the successful NEBS program.
  2. The government will undertake an expanded program of trade fairs and missions focused on those sectors in Mexico offering the greatest export potential, such as the environment, energy, telecommunications and transportation systems. Investment opportunities will be identified with Mexican corporations receiving customized briefings and presentations to encourage strategic alliances and partnerships. A program to promote Canada as an investment site will be implemented.

3. The government will support the creation of Canada's first-ever free-standing Canadian Business Centre in Mexico City. This Centre will be the site of solo Canadian trade shows, seminars, missions and individual company initiatives to meet with Mexican business associates. Costs recovered will be applied to the Centre's activities.

4. The government will undertake a broad program of seminars and create information products. These will acquaint Canadian business people with the relevant provisions of the Agreement and characteristics of the Mexican market as they relate to particular sectoral and product interests.

- **Access North America** will be undertaken by the Departments of External Affairs and International Trade Canada, Industry, Science and Technology, and Investment Canada in partnership with the private sector.

#### **Costs**

- The federal government's investment in this program will be \$27 million over four years.