

Statement

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**NOTES FOR AN ADDRESS BY
THE HONOURABLE ROY MACLAREN,
MINISTER FOR INTERNATIONAL TRADE,
TO THE 52ND ANNUAL MEETING OF THE
CANADIAN EXPORTERS' ASSOCIATION**

**"TEAM CANADA: WORKING TOWARD CANADIAN SUCCESS
IN INTERNATIONAL MARKETS"**

**FREDERICTON, New Brunswick
October 2, 1995**



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of Canada

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Canada

There is an unusual statistic that leaps out of the program for this year's convention of the Canadian Exporters' Association [CEA]. And it has nothing to do with tariffs or trade surpluses or balances of payments.

It is the fact that this is the Association's 52nd Annual Convention, which places the first one in the middle of World War II!

Even as the men and women of that generation were fighting to keep the world secure from tyranny, Canadians were establishing yet another mechanism for enhancing our export performance, confident in the prospect that trade would again be Canada's national lifeline when liberalized market access would be at the top of the postwar agenda.

Much has happened in Canada and the world since 1943, but the importance of international trade and investment to our economic prosperity continues to increase.

In the past two years, we have seen major strides taken toward trade liberalization - from the conclusion of the Uruguay Round and the creation of the World Trade Organization [WTO] to the North American Free Trade Agreement [NAFTA]. Initiatives for freer trade in Asia, in Europe, throughout the Western Hemisphere and across the Atlantic are emerging.

Our economy has become one of the most open in the world. We are today experiencing an extraordinary export boom: our exports of goods and services now amount to more than one third of our Gross Domestic Product, compared with about one quarter just four years ago. Today, Canada-U.S. trade amounts to one billion dollars a day, every day of the year.

Considering that every billion-dollar increase in exports creates 11 000 jobs in Canada, it is clear that the lion's share of the additional jobs has and will continue to come from our exports. That is a powerful incentive not only to create an international framework that stimulates freer trade and investment among nations, but also to establish the domestic strategies and programs necessary to capitalize on this more liberal climate.

Today's trade figures are impressive, but we can do better. We can capitalize on the market openings resulting from the creation of the WTO and from the elimination of trade and investment barriers within NAFTA. We can increase our market shares, diversify both the composition and the destination of our exports. We can also broaden the base of Canadian companies involved in international trade and investment. This is our challenge. This is Team Canada's challenge.

And make no mistake about it - international trade is all about winning.

All Canadians take pride when a company like Greystone Energy Systems in Moncton wins a contract with China to supply temperature, humidity, and pressure sensors for building climate-control systems.

That signing took place during the Team Canada visit to China led by the Prime Minister.

Another Team Canada visit - this time to Latin America - resulted in a contract for Thomas Equipment Ltd. of Centreville, New Brunswick, to supply skid steer loaders to their Chilean partner.

We know that the Trade Team Canada approach works. And although the Prime Minister cannot spend 365 days on the road promoting Canadian exports - although I am sure he would, if he could - we can identify the best elements of the Team Canada approach and use them to develop winning strategies to generate new opportunities for Canadian exporters.

In fact, our game plan is simple. Using a team approach, we want to link international opportunities with domestic capabilities in the most effective way possible. We want a Team Canada working every day, coast to coast and around the world.

Through the Canadian Exporters' Association, the International Business Development Review Committee headed by "Red" Wilson, and in a variety of other ways, you told us that we in government must provide improved services to exporters domestically and globally, that we must set priorities and better allocate resources, that we should focus programs and provide national leadership to Team Canada. In essence, you told us to "get our act together" here in Canada, and that is exactly what we are doing.

Over the last year, we have brought together 22 federal departments and agencies, negotiated with our provincial colleagues and involved a wide range of industry associations. Today, I am pleased to announce five initiatives aimed at building on Team Canada successes in international business development.

First, and central to achieving this success, is the Canadian International Business Strategy, the central framework for setting international business development priorities and strategies. The Canadian International Business Strategy is formulated by all the partners - federal, provincial and business. Government resources will be allocated on the basis of the agreed-upon Strategy. Management of this Strategy by a committee of deputy ministers - a sort of board of directors - will create a single point of accountability for performance and results.

You asked us to focus our attention particularly on both priority sectors and priority markets where government support can make the biggest difference for you. We are currently consulting with the Canadian Exporters' Association as well as others to determine which sectors and markets these will be. Although we shall continue to offer a broad range of support to all companies in all sectors, we shall be offering enhanced support in certain key areas.

Second, in co-operation with our provincial and private sector partners, "National Sector Teams" are being formed to develop and execute sector-specific strategies. Comprising federal, provincial and, most importantly, private sector stakeholders, these National Sector Teams will enhance the strength of companies venturing into foreign markets by developing joint strategies and action plans, and through the exchange of market and other information. In fact, some national sector teams are already operational in the agri-food and agriculture sectors, including seafood, and in several industrial areas.

If you are asked to join a Sector Team, I urge you to get involved. If the idea of collaborating with one of your competitors seems a little strange at first, let me assure you that there is enough international business out there for all of you - and more.

The third mechanism that we shall use, again in partnership with the provinces and with business, will be a series of Regional Trade Networks. These Networks, which will be targeted at small and medium-sized exporters, will ensure that there are national standards for the delivery of information and services to exporters, and that this delivery matches regional requirements.

We have discussed and agreed on arrangements with virtually all the provinces and territories. For its part, New Brunswick has already developed an integrated Team New Brunswick strategy. Premier McKenna will talk about that in a few minutes.

The fourth initiative is the new International Business Opportunities Centre, which we have established in Ottawa to direct the hard business opportunities identified by our Trade Commissioners abroad to specific Canadian firms capable of filling the overseas requirements. Although the new Centre has only been fully operational for a fortnight, it has already generated a number of success stories that bode well for the future.

Let me just mention a couple.

Adart Engineering Services Ltd. of Calgary recently won a contract in Japan to design a speed-skating oval. Adart's President said: "Without the business lead from the International

Business Opportunities Centre, we would not have known of this project."

Sprung Structures Instantanées Inc. of Pierrefonds, Quebec, has been shortlisted for pavilions for Expo 98 in Lisbon. Sprung's President said: "Through what started out as a fax from the International Business Opportunities Centre, we are now poised to supply a large international fair . . . fast-tracked to great potential business opportunities."

The fifth initiative, still "in the works," is the creation of a team to provide special support to selected major projects worldwide. Its purpose will be to co-ordinate high-level support and to champion these projects.

By co-ordinating a sustained effort from Canadian companies, we shall go a long way toward levelling the playing field against foreign competitors who have so often used their political leverage to win projects for which Canadians were otherwise completely competitive.

Let's face it. The real success of Team Canada will come from its ability to promote Canada offshore. The Prime Minister is a promoter par excellence. So is the Premier of New Brunswick. And there are many other excellent Canadian promoters, a number of whom are here today.

For too long we have had Canadian companies with world-class products and services taking second place to companies from other countries who were not afraid to promote themselves.

Finishing second in a competition may produce some valuable lessons for the future, but it does not create jobs or income for the present. Awards for "congeniality" and being "photogenic" are nice, but Canadians want jobs, and developing our international business is the way to provide them.

We must also work harder to get more companies involved in international business. Today, 100 companies are responsible for half of all our exports. Some 9000 companies are responsible for 93 per cent of our exports. We must expand this base. We must transform Canada into a true trading nation. We have to get more small and medium-sized companies into the international arena. Although we intend to concentrate on those companies and those sectors with the best prospects for success, overall we must still increase the number of Canadian exporters and their competitiveness.

To this end, we must better prepare and train companies in all regions of the country to help them become successful exporters. We must also continue to provide market intelligence, sales leads, business contacts and country-specific and sector-specific

analysis. Our worldwide trade office network, already in place, delivers these services to Canadian business. Our new strategy intends to make this network more effective by focussing even more on linking real opportunities with capable Canadian suppliers.

Why not set our sights higher and double the number of active exporters? Today, I challenge Team Canada to do just that by the year 2000.

These initiatives are part of our strategy to build on the successes of Team Canada.

I am grateful for the co-operation of the provinces, associations such as the CEA, and specific sectors and businesses in building Team Canada.

It is proof positive that Canada works together and that Canadians work when Canada works.

But we can do better. No one in this room ever got ahead by using last year's business plan.

Nineteen ninety-five and beyond requires yet greater partnership. It requires yet more focus and more leadership.

But most of all, it requires participation. We need as many Canadian businesses as possible involved in Team Canada.

Your Association has the experience. You understand first-hand the benefits that come from export and from investment in joint ventures.

The Team Canada approach has been and continues to be a winning strategy for Canada.

I would now like to invite Premier McKenna and CEA Chairman Ken Matchett to join me in unveiling the Team Canada logo, the new symbol of our collective commitment to the Team Canada approach. From now on, I invite all Team Canada members to use it at future Team Canada events in Canada and abroad.

Thank you.