

Statement

Discours

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SPEECH BY

THE MINISTER FOR INTERNATIONAL TRADE,

JOHN C. CROSBIE,

TO

SENIOR BUSINESS LEADERS

OTTAWA

October 31, 1989.

Canada

Welcome to the Lester B. Pearson building on this Halloween evening. I am assured by Departmental officials that the security arrangements here are sufficient to deter even the most persistent goblins and ghosts that might seek to disturb us.

While I can offer you some protection from the spooks outside tonight, I think that Bill Deeks may have some designs on your wallets later on. This is called treat and trick. So beware!

I am very pleased to see such a good turnout of senior Canadian business leaders here. It reflects the strong commitment of the Canadian business community to renewing and revitalizing Canadian participation in the international Chamber of Commerce and the Business and Industry Advisory Council of the OECD.

In a few minutes we will be hearing from Dr. Peter Wallenberg, President of the International Chamber of Commerce, and the Honourable Hugh Faulkner, Secretary General of that organization. Gentlemen, let me express my appreciation for your being here with us this evening.

At the conclusion of our dinner, at around 9 o'clock, Bill Deeks will say a few words seeking your support, in a tangible way, for a more effective Canadian participation in the ICC and BIAC.

You are aware that the government is a full partner in the economic summits and the process of consultations on international trade and economic matters. Tomorrow I am departing for Canberra for a ministerial meeting on cooperation in the Asia Pacific region. Immediately following that I will be participating in the Quadrilateral Trade Ministers meeting in Tokyo, where Canada, along with the United States, Japan and the European Community will be grappling with the main issues of the Uruguay Round of Multilateral Trade Negotiations. Before returning to Canada in late November I will meet with other members of the Cairns Group of agricultural exporters in Thailand.

This interlocking pattern of international consultations reflects the changing economic realities of our time: increased economic interdependence and the globalization of business.

We have to be fully engaged in the discussion of the international economic issues because, as you well know, Canada depends on a healthy international environment based on agreed and respected rules to ensure growing markets for our exports, to ensure fair treatment for our investors and ultimately to ensure our collective well being in an increasingly competitive world.

We are in business for the longer term. Historically Canada has relied on external markets for its products. Now it is even more important to be outward looking. I want to ensure that when trade rules are being written that will govern us into the next decade there is a Canadian at the negotiating table - and preferably holding the pen.

While governments play the lead role in these negotiations and consultations, it is very much in all of our interests that the views of Canadian business be clearly reflected. The playing field that is being created now is the one on which you are going to have to compete in the 1990s.

In conjunction with this effort in the international organizations, the government has as a priority the seeking out and exploitation of new market opportunities emerging around the world.

Earlier this month, in Singapore, Prime Minister Mulroney unveiled the government's "Going Global" strategy to make Canada more competitive - and to give business the tools it needs to succeed in our major markets - the United States, Asia-Pacific and Europe.

"Going Global" is a \$94 million package designed to support industry through trade promotion; expanding and re-orienting s and t efforts to gain industrial benefits; investment initiatives which foster technology transfer and strategic corporate alliances; and through language and cultural awareness programmes.

The central thrust of the three pillars of our approach is a USA opportunities strategy to exploit the possibilities opened up by the Free Trade Agreement.

A Pacific element is designed to ensure that Canada benefits from the rapid economic and technological growth that characterizes the Asia Pacific region.

A strategy for Europe 1992 will prepare for and position Canada to take advantage of the integration of the European market in terms of trade, investment and technology.

I am impressed by the increasing aggressiveness of Canadian exporters in these and other markets. This is reflected in the very substantial participation by Canadian firms in trade missions I have led in recent months. Some of you here tonight have been with me - to Boston exploring new opportunities resulting from the FTA; to Germany and Italy last year; to Hong Kong and Korea this fall, and recently to Spain and France. In Spain we discovered major new vistas of opportunity. New markets are there for those interested in pursuing them.

On all of these missions I have also been promoting our open investment policy, encouraging Asian and European entrepreneurs in particular to open businesses in Canada, generating economic activity and creating jobs where they are needed.

While the "Going Global" strategy focusses on the three pillars, we have not neglected developments elsewhere.

The cutting edge of global economic integration right now is in Eastern Europe. Mr. Gorbachev has said he wants to bring the Soviet Union into the international trade and payments system. What would be the implications of this for the western industrialized democracies? And for our business communities?

The government recently announced a \$42 million economic assistance package that will encourage economic reform and political change in Poland and Hungary. This package seeks to implicate the Canadian business community in the process of economic development in these countries by encouraging investment and joint ventures. It is after all the private sector that is best able to help Poland and Hungary transform their economies from ones based on the centrally planned model to ones based on the market. I encourage you to make contact with the Canadian coordinator for this programme, Mr. Eric Bergbusch.

Canadian business has made an impressive beginning in Eastern Europe already. In Hungary, recent acquisitions have made Canadians among the most active players after West Germany.

Prime Minister Mulroney will be visiting the Soviet Union later in November. More than 100 Canadian businessmen will make the trip along with him, seeking out opportunities in that vast potential market, and participating in the inaugural meeting of the Canada-USSR Business Council.

Some of the nations of Latin America are beginning to show the signs of the economic adjustment that is a pre-condition for a return to more stable growth. In our recent policy review of Latin America we concluded that the government should devote more attention to our relationships with our hemispheric neighbours south of the Rio Grande. The Prime Minister announced in San Jose last week our intention to join the Organization of American States.

The key to ensuring Canadian competitive advantage in global markets is a cooperative approach between business and government.

When I travel to international meetings, I see the evidence of active participation by the private sectors of the OECD countries in framing national positions. And in Canada we have developed a more cooperative, coordinated approach. I'm thinking of the ITACS and the SAGITS in particular.

But I believe Canadian business can be more aggressive in putting forward its views on global issues in organizations such as the International Chamber of Commerce. Just as we in government have

had to be activist to assure a level playing field for trade and investment at the annual meetings of the Economic Summits and in organizations such as the GATT and the OECD, I believe that the tremendous resources of the Canadian private sector must become more directly engaged. By "Going Global" Canadian business is making a commitment to shaping the international economic agenda.

You can be sure your international competitors are.

So I am particularly happy to see such an extraordinary turnout here tonight. I would encourage all of you to give your support to Bill Deeks later on this evening.

I would now like to turn to Dr. Peter Wallenberg and Mr. Hugh Faulkner to say a few words before dinner.

Thank you.