

Statement

95/30

CHECK AGAINST DELIVERY

**NOTES FOR AN ADDRESS BY
THE HONOURABLE RAYMOND CHAN,
SECRETARY OF STATE (ASIA-PACIFIC),
TO THE INDO-CANADIAN BUSINESS ASSOCIATION**

**SURREY, British Columbia
May 5, 1995**



Government
of Canada

Gouvernement
du Canada

Canada

It is indeed a pleasure to be here this evening to talk to you about Canada's commercial relationship with India, and more specifically, about my recent visit to that country. First of all, let me say that the enthusiasm I see here - and witnessed in India - reflects the positive direction of Canada-India relations.

In March I travelled to India, accompanied by a delegation of over 40 Canadian business leaders, and I was most impressed with what I saw. As Canada's Secretary of State for Asia-Pacific, I have visited many countries in this immense and varied region. What struck me most during my trip was the remarkable progress of India's program of free-market economic reforms and the potential this offers for Canadians, who already enjoy such profound historic ties with India.

These linkages form a strong foundation on which we can build a more mature bilateral relationship across a whole range of activities, with the greatest emphasis being on our mutual economic and commercial opportunities.

We should now be putting all our energy into enhancing this friendly and constructive relationship. You may well ask how this is to be achieved. The answer lies in our commonality of interests, our shared aspirations about the future and our shared membership in the broader community of Asia-Pacific relations.

Canada and India have had diplomatic relations for almost half a century, with a history of bilateral co-operation that predates India's independence. We have been partners in various multilateral fora, including the Commonwealth, United Nations peacekeeping operations, and now the new World Trade Organization. We have enjoyed close bilateral ties in the area of development co-operation since the days of the Colombo Plan.

On the human side, over half a million immigrants have come to Canada from India since the turn of the century. Many Indians have come for higher education (and I hope more students and scholars will come). Still many more visit Canada each year for business and pleasure. The Indo-Canadian community has contributed to Canada's rich and diverse cultural, ethnic, and religious mosaic. Canadians of Indian origin, whether representatives of big companies, or entrepreneurs from our dynamic small and medium-sized business sector, can contribute to the national effort we need.

They will add empathy to our Indian ties, the level of cultural affinity so long of benefit to our North American and European links. Much of our success in realizing our aspirations in business will have to do with the success we have in linking our peoples.

The Indo-Canadian community has maintained and nurtured its ties with India, and successive Canadian governments have encouraged

this is to continue. It is a source of strength for both Canada and India, and provides depth to our relations. This was extremely evident during my visit to India, as many members of the trade delegation were Indo-Canadians.

Commercial opportunities will undoubtedly provide the backbone for a new era of Canada-India relations. While some of the firms accompanying me on my visit were experienced in the Indian market, most were newcomers to India. Many were small to medium-sized enterprises, which generate most of the new jobs in Canada, and which are the main target of our country's international business development strategy.

Canada and Canadian business have developed greater confidence in long-term agreements in India. As I witnessed first-hand, India's economic liberalization program and its emergence into the broader trading world have contributed to this increased confidence.

The transition has extensive implications for India as a nation and for the sustainability of India's economic development. While we recognize that even positive change can be difficult and that the benefits are not always immediately evident throughout society, Canada continues to strongly support the economic reform program and urges India to stay the course.

This was the message I shared with the more than 10 union ministers I met, including the impressive Minister of Finance, and the Ministers of Commerce, External Affairs, Home and various sectoral ministers. I also relayed these comments when I met with the Chief Ministers of the Punjab and Haryana, and to senior business leaders at both the CII [Confederation of Indian Industry] and the Joint Business Council. I was also pleased that members of the trade delegation joined me on several of my calls to Ministers and thus were able to hear my messages and more importantly, were able to push their specific projects at the highest levels of Indian government.

One of the most impressive ministers I met during my visit was Finance Minister Singh. I met the Finance Minister the day before he brought down his budget, and he was engaging, knowledgeable and well-briefed on Canada. We discussed the economic reforms he is instituting and we explored the prospects for future reform in the financial sector. Minister Singh noted that in his budget speech he would announce provision for the establishment of a regulatory authority for the insurance industry as a clear first step in the liberalization process.

The Finance Minister and many of his cabinet colleagues assured me that the forward-looking leaders of the Indian government and business community will continue to press ahead with economic liberalization. Further reforms, transparency and certainty

about the rules of the game will be essential to sustaining international business confidence.

As we enter into this new and exciting period in our relationship, we want to capitalize on opportunities for greater India-Canada commercial co-operation.

India's continuing efforts to modernize its infrastructure - especially in the areas of power generation and distribution, telecommunications services, transportation, and environmental protection - present enormous challenges for both our countries.

Canadian companies have great expertise in these sectors, which they have successfully marketed around the globe. During my visit, I invited our Indian counterparts to meet with our delegation and to visit Canada to learn more about Canada's expertise.

Here in Canada, we have developed a forward-looking strategy known as Focus: India, which will be the cornerstone of our business development efforts. Focus: India is a Team Canada approach that involves federal and provincial governments and, far more important, the private sector. It aims not only to raise Canada's commercial profile in India but to facilitate Canada-India business linkages, sharing technology and expertise with Indian industry.

But this limited new era in the relationship cannot be limited to commercial exchange alone.

We shall continue to co-operate in areas of sustainable development. We shall embrace the rich intellectual interchange provided by our academic and cultural relations. We shall continue to work together on important issues such as the environment. And, we shall continue to work through the Commonwealth and other international organizations to resolve the outstanding issues arising from the New World Order. We must also continue to address the more difficult and sensitive matters related to regional security and human rights in a mature and constructive manner.

In this regard, I met with several ministers to discuss concerns expressed by many Canadians with whom I have met over the last year and a half in my capacity as Secretary of State. With my visit host, Minister of State (External Affairs) Salman Khurshid and the appropriate other ministers, I made a strong pitch for Indian understanding of the problems caused in Canada by the alleged ill-treatment of some visiting Canadian nationals when they arrive in India. Both Minister Khurshid and Home Minister Chavan assured me they would address these concerns. I have instructed my officials in Ottawa to monitor this issue closely and I am in regular contact with our ambassador in New Delhi.

Incidentally, I was most impressed with our new ambassador to India, Stanley Gooch. There is not a better ambassador for Canada anywhere in the world.

In closing, I have a firm vision of a very close, mutually rewarding and multi-dimensional relationship between Canada and India in the 21st century.

You have my assurance that our government is committed to this goal, and that we will strive together with our friends in India to see this happen. As I repeated again and again during my visit, Canadians look forward to building partnerships with India as it strides forward to achieve its vast potential.

Thank you very much.