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**AN ADDRESS BY
THE HONOURABLE ART EGGLETON
MINISTER FOR INTERNATIONAL TRADE
ON THE OCCASION OF THE
KOREA-CANADA BUSINESS COUNCIL MEETING**

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Minister Ahn, Mr. Chairman, ladies and gentlemen:

I'm delighted to be here in Seoul. It's a real pleasure to meet with the Korea-Canada Business Council and with the Canada-Korea Business Council, which together are doing such a great job to promote trade and investment between our two countries.

So thank you for the work you are doing -- it is appreciated.

Over the past few weeks, I have been in Shanghai, Santiago, Chile, Singapore for the World Trade Organization (WTO) meeting, Beijing, Mexico and now Korea, the Philippines and Thailand as part of this Trade Mission. And as I travel, I am becoming sensitized to the difficulties that language can sometimes bring.

I was recently reminded of some of the problems that the world's leading companies have run into when their advertising campaigns have been translated into another language.

For example, Pepsi had some problems in Taiwan when its slogan, "come alive with the Pepsi generation" was translated as "Pepsi will bring your ancestors back from the dead." Truth in advertising made them rework that one.

And Coke has had its share of problems too. "Coca-Cola" was originally presented in China as "ke-kou-ke-la." Only after thousands of billboards had been printed did Coke learn that that phrase translates as "bite the wax tadpole."

And when Parker Pens marketed a ballpoint pen in Mexico, its ads were supposed to read, "It won't leak in your pocket and embarrass you." Unfortunately, the Spanish word "embarazar" doesn't mean embarrass. So the ads ended up saying "it won't leak in your pocket and make you pregnant."

So I offer these examples just as a caution to all of you who use translation services! I'm sure none of you would want to advise your customers to "bite the wax tadpole."

But language is just one of the challenges facing those of you who work in a country other than your own and who seek to promote wider commercial relations. Another problem is profile and convincing your hosts to pay more attention to your home country.

Today, I hope Team Canada will help to raise Canada's profile here in Korea, because I really believe that there is remarkable potential, just waiting to be tapped.

Thanks to your efforts and those of others, Korea and Canada have already established a significant trading relationship. Korea is Canada's sixth-largest export market and our third-largest in Asia. In 1995, Korea imported about \$3.2 billion worth of products from Canada, a 28 per cent increase from the year before. And we rank as your 12th-largest trading partner overall. In 1995 Canada exported \$2.73 billion worth of products, a 24 per cent increase from 1994.

Canadians are major consumers of Korean electrical and electronic equipment, as well as machinery and vehicles. Hyundai, Daewoo and Samsung are as familiar in Canada as they are here. The challenge facing Canadians is to make CCM, Bombardier and Northern Telecom as familiar in Korea as they are in Canada.

In 1995, two-way merchandise trade reached \$6 billion. Our trade is large and growing, but the relationship between us is built on more than just trade. While it may not seem so on the surface, our two countries have much in common.

We share similar views on trade and investment. We are both keenly aware of the importance of freer trade and of a rules-based system to guide it.

We both place a high value on educating and training our people so that they can compete in the world of tomorrow.

We are both members of the Organization for Economic Co-operation and Development (OECD) and the Asia Pacific Economic Co-operation forum (APEC), where we are pursuing common objectives on a number of fronts.

We both stand as middle powers in an increasingly competitive and globalized economy, with similar challenges and opportunities, similar concerns and possibilities.

It is little wonder then, that President Kim and Prime Minister Chrétien agreed, in 1993, to establish a "Special Partnership" between Korea and Canada.

And through the Special Partnership Working Group, we have found ways to break down old barriers and open up new opportunities.

Just last week, we signed a new agreement -- recognizing each other's telecommunications, radio and information technology equipment. This will mean faster approval and authorization for telecommunications equipment in each country.

All of these developments are good news for Koreans and they are good news for Canadians. They will help to create jobs in both countries.

But great as our progress has been and impressive as our trade figures may be, we know that we still have a long way to go if we are to realize the full potential of our relationship. That is why the Prime Minister and I, as well as the Premiers and hundreds of Canadian business people are here in Korea. That is why we are exploring opportunities, forging new relationships and investing our time and effort. And that is why the work you are doing is so important.

Canada has a clear vision of what our future together can be. We have identified specific goals and set specific targets. Our aim over the next five years is to increase two-way trade between us by 10 per cent annually. When that goal is met, in 2001, total trade will stand at \$8 billion.

And we have a clear sense of what we have to do to get there. Important as state visits are and as essential as government support may be, in the final analysis, the trading relationship between Korea and Canada will prosper primarily through the efforts of individual companies -- through the energy they bring, the relationships they establish and the products and services they provide.

In this age of sophisticated products and services, it is no longer good enough to simply drop off the package at the door, leaving the customer to assemble the contents and make the product work through trial and error.

Today's customers demand service, and the Canadian companies on this Team Canada Mission are ready to provide that service. They are prepared, whether through joint ventures, licensing arrangements, investments or other means, to create the partnerships that will ensure long-term customer satisfaction. Our Korean customers demand no more and they deserve no less.

Now, let me just say a word on the progress Korea is making in liberalizing its economy. The opportunities for Canadians to do business in Korea have been greatly enhanced by the far-sighted efforts of both the Korean government and private sector.

President Kim's program to reduce government intervention in the economy is providing a sound basis for optimism. The lowering of trade barriers, for example, means that Canadian firms are entering and enlarging your markets -- either directly or through joint ventures. And increasing the transparency of trade-related policies is enhancing the confidence of Korea's trading partners around the world.

Canada welcomes these efforts while acknowledging your legitimate interests in ensuring sound practices in the areas of land use, the environment and industrial safety.

At the same time, Korea is enhancing its capacity to win new markets in Canada and elsewhere by increasing its competitiveness. The increased spending on research and development -- projected to reach almost 4 per cent of GDP by next year -- is providing a strong foundation upon which to build a more competitive nation.

We fully support the efforts of Korean firms to win new markets in Canada. Trade is a two-way street, and both sides will benefit from the quality of goods and services the other provides.

Moreover, we encourage Korean companies to use Canada as a base of operations, from which they can gain entry into the huge North American market, under the North American Free Trade Agreement (NAFTA) -- an agreement, I might add, that we hope will shortly include Chile as well as Mexico and the United States.

Canada has much to offer Korea. As this country sets about upgrading its infrastructure, Canada stands ready with world-class technology and expertise. And as Korea expands its industrial base, we can supply the natural resources and raw materials you will need.

There are also exciting opportunities to combine our efforts in third countries. Why not, for example, bring together Canadian expertise in architectural design and engineering with the superb Korean construction industry to take on major projects in other countries?

And of course, it is not only trade, but also investment that must increase between us. The financial market reforms of your government, which include an easing of restrictions on investment flows, are very encouraging. Now that the policies are in place, we must avail ourselves of the opportunities they present -- opportunities like the lower borrowing costs that are available from abroad and the greater capacity to promote investment and growth.

If we can capitalize on these kinds of opportunities, both Korea and Canada will succeed in generating the economic growth that will lead to good jobs and good incomes for our people.

Of course, the Korean-Canadian relationship is not without its problems. But I am confident that these issues can be resolved, and resolved to the benefit of both countries, by continuing to work through the Special Partnership Working Group and by maintaining the atmosphere of mutual respect and trust that has been created.

I believe that the plans we have made and the work we are doing will go a long way to improving the visibility of our respective countries. They will continue the important work you have begun and set us on a course of even greater co-operation and partnership.

While geography has not made Korea and Canada neighbours, history has made us friends. Now, commerce is making us partners.

The contracts Team Canada is signing this week are evidence of our interest and proof of our sincerity. But they are only the beginning. Let us resolve to work together to realize the vast potential of the Korea-Canada relationship. Together, let us promote trade and expand opportunities for citizens in both countries. And together let us conquer third markets, knowing that by combining our efforts, there is little we cannot do.

Thank you.