

## Canada-Thailand Business Forum luncheon

January 17, 1997  
Bangkok, Thailand

Canada and Thailand have become important Asia Pacific partners over the last twenty years. As Canadians and Thais approach the challenges of the 21st century, this is a partnership that we in Team Canada want to enhance and expand.

I want to say right up front that one of my main objectives for this visit is to make Canadians much more aware of the many business opportunities offered by the economic transformation taking place in Thailand.

We also want to demonstrate to Thai business people that Canada is an ideal partner for the challenges facing Thailand today.

There is a natural fit between Canadian private sector know how and your needs in key sectors.

Canadians need to understand that Thailand is a key regional hub in Asia. It is the demographic centre of the continent.

In fact, more than half of the world's population lives within five hours flying time of Thailand. This presents new opportunities for Canadian joint ventures in the region with experienced Thai companies.

In order to pursue these goals, I am accompanied in Thailand by a Team Canada delegation of premiers, municipal leaders, business leaders, educators and young entrepreneurs. The largest trade delegation in Canadian history.

Our decision to make Bangkok a key stop on our mission is testimony to our commitment to a new economic partnership with Thailand. For me personally and many members of our delegation, this is our first visit to Thailand. For us, this is an important opportunity to experience firsthand the legendary and gracious Thai hospitality.

We are especially impressed by the modernization process that is taking place everywhere around us here in bustling Bangkok.

This dynamic transformation of your capital is eloquent proof of one of the best economic growth performances by any country in the world over the last ten years. Thailand is today enjoying the benefits from an economic liberalization that has gone hand in hand with democratic development.

But I am pleased that Thailand's impressive economic achievements have not come at the expense of personal freedoms and democratic development.

We have seen a peaceful transfer of political power in the past three national elections, a process which sets Thailand apart in much of Asia. Thailand also enjoys a media regarded as the most liberal and informative in the region. All these combine to make Thailand a nation of the future in this, the region of the future.

And believe me, as a Pacific nation, Canada wants to be very much an active part of that region.

That is why, a few weeks ago, in Vancouver, I declared 1997 to be Canada's Year of Asia Pacific. Throughout 1997, Canadians will celebrate our country's Pacific dimension, on the eve of the Pacific century.

This year is the chance for us to build on the solid foundations of our history in this region. A history of commitment and involvement. Throughout the region. And here in Thailand.

Decades ago, our countries worked together to advance peace and ease human suffering in Indochina. Canada drew upon over twenty years of experience in the region, through participation in the International Control Commissions. Our governments met frequently to discuss the situation in the region, where Canada's views were greatly valued by Thailand. Through our efforts, we demonstrated a shared commitment to peace and understanding. Our effort was a testimony to shared values.

After the ravages of war displaced hundreds of thousands of Indochinese refugees, Canada offered home to 100,000 of them, including 48,000 living in Thailand. Today, these same refugees are Canadian citizens, making their contributions to their adopted country.

More than 15 years ago, Canada and Thailand became partners in development cooperation. Through a number of projects supported by the Canadian International Development Agency, we have helped increase Thai technological capacity in important areas of the economy.

We have assisted women in development, supported social and training programs, and provided assistance in the environmental sector.

Our joint interest in sustainable development has led to the establishment of the Natural Resources and Environmental Management Project, which is helping your authorities strike the right balance between development for today and conservation for tomorrow.

And as Thailand moves closer to the ranks of the developed nations, our development partnership is also evolving into a solid commercial partnership.

During the last five years, bilateral trade has increased rapidly to \$1.6 billion in 1995. Today, Thailand is our secondlargest export market among the ASEAN countries. Canada's exports to Thailand were an impressive \$580 million in 1995. But there is much room for growth. Canadian direct investment in Thailand is also up, reaching \$359 million in 1995.

Two years ago, when Prime Minister Chuan visited Canada, he and I challenged our business communities to increase bilateral trade to \$2 billion by the year 2000. Today, I reaffirm Canada's commitment to achieving that goal.

We will be assisted by the renewed strength of the Canadian economy. Over the past three years, our government has been putting its economic house in order. Provincial governments have been doing the same. As a result, our deficit has been reduced dramatically, and interest rates are at their lowest levels in decades, and confidence in the Canadian economy is around the world is growing.

Mind you, we are not yet at the point, where like in this country, the government is criticized for the economic "slow down" to 7% annual growth. Believe me, that is the kind of problem I and the premiers would dearly love to have!

Canada's economic growth might not match the impressive growth here in Thailand but still, the IMF and OECD have predicted that Canada's economy will grow faster than any other G-7 country for the next two years.

In the last three months, 83,000 new jobs were created in Canada. Private sector forecasters are predicting the creation of 350,000 new jobs in 1997, and a similar rate of growth in 1998.

Accompanying this economic renewal in Canada has been a change in attitude towards doing business in overseas markets. Canadians believe we can and we must succeed on the international stage. And they are aggressively seeking trade abroad.

In Canada, like Thailand, exports are the engine which drive our economy. Exports now account for almost 40 per cent of our GDP, compared to 25 per cent only five years ago. And that means millions of jobs for Canadians.

That is why Team Canada has hit the road three times. And why trade liberalization is a major priority for us. Because they are the key to growth for our economy and for jobs and opportunities for our people.

This is the kind of spirit that informs our commercial relationship with Thailand. Over the past year alone, five Canadian ministers have visited here. The new bilateral agreements signed this morning are the result of much hard work by the ministers of environment and finance in both countries.

During our discussions this morning with Prime Minister Chavalit and his cabinet, we agreed to pursue a foreign investment protection agreement. This will offer greater protection to both Thai and Canadian investors.

It will signal to the international investment community that both our countries are open to the challenge of globalization.

Later today we will witness the signing of a number of commercial agreements, ranging from the very large to those involving smaller companies. These agreements highlight the diversity of our existing economic cooperation.

For Canada, opportunities in Thailand are not limited to large infrastructure projects. In fact, many of the companies signing agreements are the small- and medium-sized businesses of both our countries. Companies like these are the biggest engines for growth and jobs in our countries. That is why they make up more than half of our Team Canada business delegation this year.

Canadian companies are good partners for Thais. We have the internationally competitive skills, products, technologies and capital that can meet your needs, now and in the future.

And the Canadian business community is not new to Thailand -- companies such as Bata Shoes have been here for over 50 years and are a household name, while Seagram, Northern Telecom and Champthai Co. Ltd. also enjoy a longstanding presence.

In the past, we have felt that one element missing in our commercial relationship was a Canadian financial presence in Thailand. We are now blessed not with one, but two. We welcome the recent decision by the Thai government to grant a retail banking licence to the Bank of Nova Scotia, and to award an international banking facility privilege to the Royal Bank of Canada.

The commitment of these two leading Canadian banks to Thailand is an example for others. We hope their success will lead to similar successes in the service sector.

Canada is also interested in infrastructure. We are a world leader in the building and design of economic infrastructure. In transportation. Telecommunications. Information technology. Energy. Construction and building materials. Our companies are second to none. We also offer the know-how to run that infrastructure.

And let us not forget our strengths in the agricultural and commodities sectors. I am pleased that the Canadian Wheat Board will conclude today a major new agreement with Thailand.

These are sectors in which Canada excels. They are also sectors whose goods and services are in high demand in Thailand's expanding economy.

For example, Thailand's energy demands of the future will be enormous. One option being considered is nuclear energy. Should Thailand decide to explore this option, I believe the nuclear technology offered by Canada can meet your needs. Within Canada and around the world, Candu technology has proven itself.

There are also opportunities for mutual cooperation in the area of education. More than 10,000 Thais travel abroad to study each year. The Thailand Development Research Institute estimates that by the year 2000, demand in Thailand for science and engineering degree holders will be twice the number available. That is a gap of 14,000 people. Our educational institutions can help you overcome this gap.

Canada has supported scholarships and training for Thai young people, and recently established a Canadian Education Centre which assists Thai students interested in studying in Canadian schools. Study in Canada means quality education at competitive prices, in a safe, clean and friendly environment. Tomorrow I will open the Canadian Education Fair in Bangkok - accompanied by the many education representatives on Team Canada.

We hope this event will make Thais more aware of the quality education opportunities available in Canada.

More than 100,000 Canadians travel to Thailand each year and Thai tourists are visiting Canada in increasing numbers. Thailand has become one of the fastest-growing tourist markets for Canada. While in Bangkok, I will open the Canadian Tourism Fair that highlights tourism opportunities in Canada.

My friends, this visit to Thailand is a busy and full one for Team Canada. As is always the case in visits between good friends. There is a lot of catching up. A lot of celebration. A lot of planning for the future. That is the way it is between real friends. And that is the way it is during our visit to Thailand.

And I know that what we are accomplishing together during this visit will launch our friendship to a new and closer level.