

## Team Canada Business Luncheon

January 20, 1998  
Buenos Aires, Argentina

Each one of the four Team Canada missions I have had the privilege to lead has given me special memories. Team Canada '98 is unique because it marks an historic effort to reach out to our Latin American friends. But it will also stand out for me for the way it has put a spotlight on the quality of our team and our team work.

I will never forget the way that Team Canada pulled together in my absence. While I was back home, I marvelled at a truly Canadian sight: neighbour helping neighbour in a time of trouble. Throughout, I was also heartened to see our team here - the premiers, the mayors, the business people - showing that same spirit. Your generosity in raising money for the victims of the storms, and your determination to push ahead with the very important task of creating jobs in Canada have made us all very, very proud of you.

More than anything else, your strength of purpose has impressed upon our hosts just how serious we in Canada are about taking our place as a nation of the Americas. That we want to fast-track our relationship. And that a stronger partnership with Argentina is an important part of this effort.

It is true that, in a sense, Argentina and Canada are still getting to know each other. But I am convinced that there is tremendous potential to raise the level of our relationship to new heights. I think the feeling is mutual. That is why President Menem came to Canada in 1994 and why I visited Argentina as Prime Minister three years ago.

We may be at opposite ends of the hemisphere but we are the same in many ways. We are both large countries that have been settled by immigrants. We are blessed with enormous natural wealth. We are federal states whose provinces and states play an important role in economic development. Their contact with one another adds an important new dimension to our partnership; a fact that is underlined by the presence of nine of our provincial premiers on Team Canada '98.

Canada deeply appreciated the decision of Argentina to come to Ottawa last month and sign the Treaty banning land mines. Argentine and Canadian soldiers and civilians have served side by side as peacekeepers in the former Yugoslavia and Haiti. Argentina is joining Canada's military training assistance programme. And yesterday, we signed a number of agreements that will make expanded contacts - including commercial relations - even easier.

The growing partnership between Canada and Argentina also extends to trade and investment. From 1992 to 1996, two-way trade jumped from \$226 million to almost \$400 million. Canadian exports have almost tripled to over \$200 million a year, with imports increasing to \$186 million. Figures from the first three quarters of 1997 show that exports have increased by 86 percent and imports by 22 percent over the same period in 1996.

Canada is now the third largest foreign investor in Argentina. Canadian firms are quite active in the oil, gas, mining, and energy sectors. But they are also exploring opportunities in new areas, from automotive to telecommunications; from information technology to health; from tourism to building products. Proof that as business partners Canada and Argentina make a good fit.

The presence in Argentina of Team Canada '98 speaks to the strong Canadian desire to build on these foundations. To build new prosperity, growth and jobs for the people of Canada and of Argentina. I feel truly fortunate to be the Captain of such an impressive team. Along with a host of government leaders, we have representatives of some of our finest educational institutions. And it

features some of the best in Canadian business talent. Team Canada '98 is the largest ever. It comprises a large cross-section of our dynamic economy - from leading exporters to young entrepreneurs. It also has the largest contingent of women entrepreneurs ever -- a fact about which I am especially pleased.

Canada is a world leader in the development of natural resources. Canadian expertise is helping to develop Argentine capacity in mining, energy and forests. And many of the Canadian companies present in these fields are here with Team Canada. At the same time we are both committed to developing these resources in way that is safe and clean for the environment. Canada has been in the forefront of developing environmental technologies. And we are confident this know-how can be of benefit to Argentina as well.

Another big priority for Team Canada '98 is educational services.

We already knew that a country's ability to develop a highly-skilled workforce is a key factor of success in a knowledge-based economy. But our education sector has also emerged as a key sector in economic terms. For example, Toronto's single largest employer is the University of Toronto, and one of the biggest exporters of services in Quebec City is Laval University.

Canada offers first rate educational facilities and services as well as specialized training. We would welcome more Argentine students in Canada. In this regard, I am pleased to note the opening of a Canadian Education Centre during our visit that will showcase Canadian educational expertise here in Argentina.

And at the risk of sounding boastful, Team Canada's efforts to build new contacts and partnerships in Argentina stand to benefit from the surging strength of the Canadian economy. Over the past five years, our government has gotten its economic house in order. Provincial governments have been doing the same. Our deficit has been reduced dramatically. It will be eliminated completely no later than the end of our 1998-99 fiscal year. Interest rates and inflation have fallen to historic lows. The unemployment rate has fallen to its lowest level in over seven years. Confidence in the Canadian economy around the world is growing. As matter of fact, the OECD recently predicted that Canada will lead the G-7 in economic and job growth in both 1998 and 1999.

Canada is a land of opportunity for Argentina. We offer a booming economy, skilled workers and an excellent quality of life. And by working with their local partners, investors in Canada can open a gateway for exports to the lucrative NAFTA market of close to 400 million people. For Argentine firms seeking partnerships abroad the message is clear: Canada is one of the best places in the world in which to invest and do business.

Ladies and gentlemen, the primary goal of Team Canada '98 is to spread the good word about the fine products and know-how we have to offer Argentina. But its presence in Argentina also demonstrates the confidence that Canada feels about the future of your country. The reform process begun by President Menem has put the Argentine economy on track for long-term growth. These changes have seen Argentina through the recent turmoil on international financial markets in good shape. And they have gone hand in hand with the re-emergence of Argentina as a valued member of the community of democratic nations. Canada wants to help ensure that the progress Argentina has made continues.

Team Canada '98 expresses this sentiment better than any words. And it also drives home a basic truth about doing business in a truly global economy: enhanced trade and investment flows are the engines of economic growth and prosperity. More than that, they are the cornerstones of a strong society.

In Canada, like Argentina, exports are the engine which drives our economy. Exports now account for almost 40 per cent of our GDP, compared to 25 per cent only five years ago. That means millions of jobs for Canadians. Our historic openness to trade and investment from abroad has been essential to building Canadian prosperity. And with prosperity as our foundation, we have built a quality of life that has been rated as the best in world the last four years in a row by the United Nations.

Having enjoyed the benefits of open trade, Canada wants to see them shared throughout the Americas. NAFTA and our free trade agreement with Chile were just the beginning. We are strongly committed to the goal of a Free Trade Area of the Americas. We are committed to launching formal negotiations in April at the second Summit of the Americas in Chile.

We also welcomed the creation of MERCOSUR and understand your enthusiasm for it. Trade between its members and with countries outside MERCOSUR has grown - proof that open markets benefit everyone. And with the help of Argentina, Canada wants to continue a dialogue towards formalizing our relationship with MERCOSUR.

Ladies and Gentlemen, I know I can speak for my teammates when I say what an enjoyable and productive visit this has been. I have no doubt that the bilateral and business agreements we have signed have put the Canada-Argentina partnership on a new fast-track.

Team Canada `98 has been an historic step forward in the process of renewing Canada's identity as a nation of the Americas. For us, there is no going backward. We are in this for the long haul.