



News Release

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CANADA AND SINGAPORE TO EXPLORE POSSIBLE FREE TRADE DEAL

International Trade Minister Pierre Pettigrew announced today that officials from Canada and Singapore will begin exploring the possibility of negotiating a bilateral free trade agreement. Minister Pettigrew made the announcement after a meeting with Singaporean Trade and Industry Minister George Yeo in Darwin, Australia, on the margins of the Meeting of APEC Ministers Responsible for Trade.

Singapore, like Canada, is a trading nation, with about a three percent share of world merchandise trade. In 1999, Canada exported \$367 million in goods to Singapore and imported about \$1.2 billion. The largest sector in Canada-Singapore trade is information technology and telecommunications equipment, which illustrates the emphasis both countries place on developing knowledge-based economies.

Key sectors emerging as opportunities for Canadian business in Singapore are the agri-food, aerospace, defence, life sciences, construction and environment industries. Canadians invested about \$2.4 billion in Singapore in 1999, primarily in service sectors, notably banking and other financial services. Direct investment by Singapore into Canadian businesses totalled about \$152 million last year.

"Given the tremendous economic benefits Canada has achieved through trade liberalization, I'm a firm believer that we should continue our efforts to reduce trade barriers at all levels - multilateral, regional and bilateral," said Mr. Pettigrew.

The Government of Canada will now embark upon a broad and comprehensive consultation process with the provinces and territories, the Canadian public, businesses and non-governmental organizations to explore the feasibility of pursuing such an agreement.

Canada already has free trade agreements in place with the United States and Mexico through the North American Free Trade Agreement, and bilateral agreements with Chile and Israel. Canada is also currently pursuing a free trade deal with the European Free Trade Association, exploring the idea of an agreement with Costa Rica, and continuing to work toward greater liberalized trade on a larger scale through the Free Trade Area of the Americas and the World Trade Organization.

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