

Minister Heather Humphreys- ICBA Event Speech - 28th September 2018

Good morning ladies and gentlemen.

It's a pleasure to join you this morning and I'd like to thank the *Ireland Canada Business Association* for hosting this event and for giving me the opportunity to speak to you today.

ICBA

The Ireland-Canada relationship is one that I know the ICBA works hard at fostering and supporting through your membership and events such as today's.

ICBA also collaborates with a wide range of key stakeholders, such as the *Chamber network in Canada*, and indeed with the agencies under the remit of my Department, such as *Enterprise Ireland* and *IDA Ireland*.

As Minister, my department and agencies are supportive of the activities of the Association and applaud your ongoing efforts to build partnerships between the vibrant business communities in Ireland and Canada.

I know that the ICBA participated in a very successful Enterprise Ireland Trade Mission led by Minister Sean Canney TD last year, alongside their biannual business summit involving the *Ireland Canada Chambers of Commerce* in Toronto and Ottawa.

Indeed, our ever-deepening relations were further embedded by the visit of Prime Minister Trudeau to Ireland last year which of course was closely followed by the visit of An Taoiseach to Canada.

Many of you might recall that there was considerable media attention at that time about what socks both leaders were wearing!

I think that must have been a first in terms of State Visits but it clearly showed just how well the Taoiseach and the Prime Minister got on.

Bilateral Trade

A growing population of more than 36 million people,

a positive economic environment enhanced by a major trade deal with the EU,

and a strong infrastructure investment programme,

mean that Canada has never looked more appealing for internationally-focused Irish businesses.

The opportunities of the Canadian market should be considered by Irish companies looking to diversify, perhaps in the context of Brexit, or as a platform to launch into the North American market.

The strength of Ireland's trading relationship with Canada is reflected in the impressive €3 billion of annual trade between our countries.

I am delighted that the value of exports from Ireland to Canada has been growing steadily and strongly year on year.

Since 2012, the value of goods exports from Ireland to Canada has grown by 40% to reach over €1bn in 2017, and the value of services exports rose by 38% to reach €1.4bn in 2016.

Canada is therefore an increasingly important market for Irish companies seeking to grow their export capacity.

Irish firms are seeing success in diverse sectors such as enterprise software, e-learning, retail technologies, digital health, Internet of Things, Fintech, advanced construction products, as well as services and consumer products.

It is clear that these Irish successes are having a hugely positive economic impact not just in Ireland, but also in Canada, where over 6,000 people are employed by Enterprise Ireland client companies, such as *Kingspan*, *Bimeda*, *Kerry Group*, *CRH*, *Initiafy*, *Health Beacon*, *Morgan McKinley*, and *Softworks* to name but a few.

Enterprise Ireland

Enterprise Ireland is working hard to identify further opportunities for more than 400 client companies doing business in Canada.

In 2017, Enterprise Ireland client company exports to Canada grew by an impressive 19% to €340m, marking it out as a leading growth market for Irish companies among highly developed economies.

Enterprise Ireland are working with these companies to foster and support their drive for innovation and competitiveness and to help create companies of scale at an international level.

I recently had the opportunity to attend the inaugural **North American Healthcare Forum**, organised by Enterprise Ireland in the Aviva Stadium.

This exciting event represented a significant opportunity for over 100 top Irish medical technology companies seeking to better understand the North American healthcare market, and to engage with top level decision makers from leading organisations across the US and Canada.

Events such as these are critical in giving Irish companies the opportunity to drive exports to key markets such as Canada.

Investment

One of the key features of Canada-Ireland economic relations has been the high level of two-way investment.

Globally successful companies come to Ireland knowing that they can find and attract the calibre of people they need, and access the global markets that they require.

Last year was another record year for foreign direct investment into Ireland with the creation of almost 20,000 additional jobs.

So, when a Canadian enterprise determines its need to have a presence in Europe, so that it has ready access to the European Single Market and North African markets in particular, Ireland represents an obvious location from where to conduct business.

Ireland's Foreign Direct investment stocks in Canada amount to over an estimated €5 billion, making Ireland the thirteenth largest source of FDI into Canada.

Stock of *Canadian Direct Investment Abroad* in Ireland is estimated at approximately €12 billion, ranking Ireland as the tenth largest destination for Canadian investment.

These high levels of two-way investment enable both our economies to expand and provide essential high quality jobs for our people.

In recognition of the importance of the relationship, in January, IDA Ireland announced that it will open a new Canada Office in Toronto.

CETA

Ireland is of course one of the world's most open, export-driven economies.

We believe our openness to trade has enabled our economic modernisation and development, creating new opportunities for innovation and stronger productivity growth, with higher skilled jobs throughout the economy.

Our perspective is – and must be – always outwards.

That is why we have been strong supporters of the development of the EU's suite of Free Trade Agreements, including the EU-Canada *Comprehensive Economic and Trade Agreement*, or CETA.

CETA has set a new global standard for Trade Agreements which opens up new economic opportunities, whilst also protecting and promoting our high standards.

In CETA, the EU and Canada are committed to ensure that economic growth, social development and environmental protection are mutually supportive.

It is important that, at a time of international uncertainty, Ireland and Canada retain a strong and deep commitment to openness, rules-based multilateralism and free trade, clearly demonstrated by the conclusion of this landmark Agreement.

Just last week, the 21st of September, saw the first anniversary of the provisional application of the Agreement.

And there has been clear feedback to my Department from Irish companies and Enterprise Ireland, that the elimination of tariffs and the greater ease of doing business has prompted new and larger orders.

The reduced cost of doing business has helped alert Canadian companies to Irish, and more broadly European, suppliers.

With this Agreement, EU companies will receive the best treatment that Canada has ever offered to any trading partner, thus levelling the playing field in the Canadian market for EU and Irish companies.

Its provisions include:

- the elimination of tariffs on almost all key exports;
- access to the Canadian procurement market;
- the easing of regulatory barriers;
- and more transparent rules for market access.

CETA covers virtually every aspect of economic activity and will provide new market opportunities in many sectors for Irish firms.

While still early days, these indications are very positive and I look forward to more Irish companies taking full advantage of what CETA offers.

Of course, we know that Canada/US trade relations are changing and NAFTA renegotiations are at, perhaps, somewhat of a critical juncture.

Against such an uncertain backdrop, the certainty that CETA has offered Canada and the EU's trade relations is most welcome on both sides of the North Atlantic.

Conclusion

Before I can conclude, I might just take this opportunity to point out that Enterprise Ireland's International Markets Week will take place this year from October 16th.

It will provide a fantastic opportunity for members of the ICBA, working with Enterprise Ireland, to review their approach to the market, to discuss new plans for growth, and learn about upcoming initiatives in 2019.

Once again, I would like to thank the ICBA for the invitation to speak with you this morning and indeed for all the work that you have done to strengthen the successful relationship between Ireland and Canada.

I wish you continued success into the future.

Go raibh maith agat.

