

When this government came into office, back in September, it was with two fundamental commitments to the Canadian people: to get the economy moving again, and to rebuild the bridges of dialogue and consultation between Ottawa and the rest of Canada. This meeting is one of the products of both of those commitments, and I thank you for helping us make it possible.

Those of you who are out in the markets of the world are well aware of how tough it is out there. Under the General Agreement on Tariffs and Trade (the organization known as the GATT) the world's trading nations have been trying to get their act together for years. But international trade is still far from free. For every tariff barrier that comes down under the GATT, another kind of barrier goes up. A quota here, an orderly market arrangement there, a change in regulations somewhere else -- whatever will protect local industries that can't quite compete.

The forces for protectionism are alive in every country, including Canada, and the pressures are unrelenting. Just as an example, in the U.S. Congress over the past few years, more than 1,000 protectionist bills a year have been introduced. Not many of them get very far, but the volume is certainly indicative of the pressures. And the pressures are growing.

As a trading nation, we face other problems, as well. Our currency has been put behind the eight-ball by the American dollar. It has lost value in relation to the greenback, but it has become more expensive in relation to most of the rest of the world's currencies, driving up the real prices most countries must pay for Canadian goods. On top of that, we face new and growing competition from nations that have been building their industries. We must cope with the high technology revolution, and with the fact that new materials (such as plastics) are crowding out the market for some of our traditional exports.

We, as a nation, have been slow to adapt to these changes. In 1968, Canada ranked fourth among the world's trading nations, just ahead of Japan. Today, Japan's share of world trade is double ours, and we have dropped to eighth place.