

providing a fiscal and regulatory environment for business to grow. But some enormous challenges remain.

According to the report, Canada's competitive strengths include abundant natural resources, cheap energy, and excellent highways and airports. Canada's health care system is rated the best in the world.

But our school system ranked eleventh out of 24 in terms of its responsiveness to the economy. The international orientation of our economy ranked sixteenth. We ranked seventeenth in science and technology. Our company training programs ranked twentieth - fourth from last.

What does this tell us? It shows a nation that has grown rich on its natural resources. A nation that has used its wealth to create excellent infrastructure and social services. But it has not reinvested enough of its wealth in knowledge, in science, and in technology.

The Government of Canada has targeted five areas in particular where this country must focus considerable effort in the years ahead. I would like to look at each of the five with you. I would like to raise a few questions. And I would like to ask for your advice.

### Learning

First, learning.

Your industry has helped drive a demand for learning. You have helped create the "smart jobs" that require more specialized skills. You have helped create an environment in which skills become obsolete more quickly.

In the next decade, nearly two thirds of all new jobs created, will require at least a high school diploma. In that same period, fully 40 per cent of those new jobs will require more than 16 years of training. Yet about half of all workers beyond school age in 1986 had less than a high school education.

The problem is made worse every year as 3 out of 10 high school students drop out. Many of them join the 38 per cent of adult Canadians who are functionally illiterate.

Your industry requires well-trained professionals. So, your industry also depends upon Canada developing a learning culture. Here in Canada, as elsewhere among our trading partners, the