

co-operation; partners joining together to take advantage of each others' strengths to build market share.

Competitiveness today is built on partnership. Many of you are in the computer industry; many of you pay close attention to what happens in that exciting, dynamic industry.

When IBM and Apple joined forces, was that competitiveness or partnership? When software giant Microsoft and computer giant Digital Equipment Corp. form an alliance, is that competitiveness or partnership?

When chartered banks and brokerage firms get together, is that competitiveness or partnership?

When airline and hotels and car rental companies co-operate on travel and tourism packages, is that competitiveness or partnership?

The answer is yes: it is partnership for competitiveness. It is partnership in which each partner builds on the strength of the other to build market share, to open new markets, or to change conditions in a flat market.

Partnership is the hub and partners the spokes in the wheel of prosperity. Partnerships are the driving force that will make Canada competitive in the global economy. Before we can make partnership a force in our international competitiveness, we have to understand the reality of our place today in the global economy.

On the face of it, the reality is good.

Canada is the world's seventh-largest economy. We have the world's second-highest standard of living. Over the last 30 years, our job creation rate has been the highest among the nations of the Organization for Economic Co-operation and Development (OECD).

But dig into that reality and we see disturbing trends.

We aren't keeping up with the changing global economy. Our productivity isn't growing as fast as it used to and, in the last five years, it has stalled. It isn't growing as fast as our competitors.

We continue to rely heavily on the resources of our land and seas. That reliance is challenged by crumbling commodity prices, by global competitors who produce the same resources at lower cost, and by innovative competitors who develop substitutes that replace our resource commodities. Canada's share of world trade in natural resources is increasing while our international