

I'm honoured by your invitation and delighted, as always, to be in Kitchener. My work as Minister for International Trade takes me outside Canada a great deal, so it's great to be back in Canada's heartland.

Some of you may not appreciate the importance that we, in public life, attach to talking to the people who really drive our economy. In preparing for the return of Parliament next week, I am pleased to have been able to speak with business people from many parts of Southwestern Ontario about the challenges ahead. Together, we Canadians have before us some of the most difficult challenges we have ever faced; challenges both from within and without. As a result, my colleagues and I have spent the summer working very hard on our agenda for a united Canada and a prosperous Canada. The two issues really come down to the same thing -- building a stronger country.

The unity or constitutional issue has to do with how we get along together. The prosperity or competitiveness issue is about how well we do together. Each is meaningless -- even impossible -- without the other. Clearly we can't go forward on one, or the other, without a consensus on the constitutional and competitive challenges facing us.

I want to talk to you today primarily about competitiveness and our agenda for prosperity. I want to make very clear that we're in this for the long game, and we're playing to win. There are no long touchdown passes in this game. The only way to win is to move the yardsticks down the field. And the only way to do that is to have a winning game plan. That's how we see Canada and Canadians -- as a nation of winners who welcome the opportunities of the emerging global economy.

I know the challenges you all face have not come to an end even though the recession appears to be over. While the consumer confidence index is up 13 points over the end of 1990, there are still some tough months ahead. And there is still the continuing challenge of a rapidly changing marketplace and an ever more competitive environment. However, I see tremendous reasons for optimism. Here in Ontario, we've always looked to develop new markets for our products and services. We've never been afraid of the competition. Whatever the short-term effects of the recession, in the long term Canadian business still needs to sharpen its competitive skills. The fact is that we are already strong competitors, but the marketplace is getting tougher and tougher.

Trade and investment are both key factors in securing our standard of living. They are already strong. For example, since 1988, the value of all Canadian merchandise exports to the United States has increased by almost \$8 billion, or nearly 8 per cent. And investment in Canada has increased as well. In 1988, Canada had a net direct investment deficit of \$2.4 billion. Last year, Canada had a record net surplus of \$5.1 billion -- the first time