

with information and seeking their advice. A key mechanism for doing this will be the International Trade Advisory Committee (ITAC) and the Sectoral Advisory Groups International Trade (SAGITs). We are also consulting regularly with provincial governments to allow them to raise concerns and provide suggestions. We welcome the active involvement of the Canadian labour movement in the consultation process, as occurred after the FTA went into effect and as continues with the General Agreement on Tariffs and Trade (GATT).

It would not be an exaggeration to say that our close consultations have brought about a unanimous consensus on the FTA. But it is still early days, and the recession clouds analysis; we believe we can see signs already of the benefits flowing from the FTA:

- In 1988, just prior to the implementation of the FTA, the net direct investment outflow from Canada was \$2.5 billion. In 1990, Canada had a record net direct investment inflow of \$5.7 billion from all countries. The turnaround in direct investment flows from other countries suggests that overseas investors see Canada as an increasingly attractive base for their North American operations.
- Canadians are also investing more in their own economy. In 1990, they invested 30 times as much at home as they invested abroad in mergers and acquisitions, a three-fold increase over 1988, the year the FTA was signed.

I believe that we will be proven right in our judgement of free trade. That applies to the FTA. It applies to North American free trade too. We will be proven right by the facts. And we will be proven right by the logic. Those who would have us reject freer trade -- whether bilaterally, trilaterally or globally -- would have Canada diminish its own future. The Government cannot reject the globalization of international trade. The only way to influence what is negotiated at the table is to be at that table.

The world is trading. Competition is tough. We did not make it that way and we cannot wish it away. A failure to trade is a failure to compete. And the inability to compete would mean failure in trade. That is a circle that cannot be broken. It is a reality we cannot ignore.

Competitiveness is easy to describe. It is more difficult to achieve. Achieving that goal is my new responsibility, as it was in a different way in the job I have left. And with your help, and that of Canadians across this country, we will achieve that goal together.