

Secure access to the U.S. market is a key to Canada's international competitiveness, not only in North America, but in markets throughout the world, including Asia Pacific and Europe.

By eliminating all tariffs by 1998, the Free Trade Agreement will provide Canadians with lower costs, which will result in increased competitiveness and lower prices.

Tariff elimination also gives you the opportunity to compete for much bigger markets. If you are a manufacturer, you will be able to have much larger production runs. This will allow you to rationalize and modernize your operations and to be even more competitive, not only in North America, but around the world.

We need free and secure access to the U.S. market if we want to take full advantage of trade and investment opportunities in the major markets of the world.

Some people have said that the Free Trade Agreement was a leap of faith. I say it is an act of faith, based on confidence in Canadians and knowledge of their abilities to compete and innovate.

That positive attitude has inspired all of our major economic policies and initiatives. Our deep faith in enterprising Canadians led us to deregulate the energy, transportation and financial industries.

It was our faith in Canadians which led us to create Investment Canada. It has a specific mandate to encourage Canadian and non-Canadian investment in this country.

That policy is paying handsome dividends.

In 1986, we had an all-time record of \$7.5 billion worth of foreign direct investment. That same year, we also had \$26 billion worth of new portfolio investment by foreigners.

Investment is the clearest possible vote of confidence in a country. Investors around the world are once again taking a look at Canada.

They obviously like what they see.

Minoru Kanao, who headed a high-level Japanese business mission to Canada in 1986, said that he had discovered a "new Canada". Among other things, the Kanao mission was impressed by Canada's technological excellence, its new spirit of