Mr. Speaker,

Canadians today are perplexed and confused.

On the one hand, they read in the papers that a recent UN study has ranked Canada as having the second-highest quality of life in the world. We also have the second-highest standard of living. They hear on the news that the World Economic Forum in Geneva has placed Canada fifth among the countries of the world in global competitiveness, and this all sounds like good news.

But in too many cases, Mr. Speaker, those same Canadians are discovering from their own personal experience that all is not so well.

The parents whose child dropped out of high school last week may be disappointed. And knowing that 30 per cent of Canadian children drop out before completing high school -- one of the highest rates in the world -- is no consolation. But knowing that over 60 per cent of new jobs to be created in the next 10 years will require at least a high school education would really upset them.

So which of these views is right? Are we doing well, or are we in trouble? The answer, Mr. Speaker, is that both views are right.

There is no question that over the last 124 years, Canadians have built a strong, dynamic and prosperous country, and it shows in our standard of living, our health systems, our export performance and in many other ways. But, that is only one part of the story -- a snapshot assessment in an evolving world.

The global environment is changing before our very eyes, and our productivity just isn't keeping pace. It isn't growing as fast as it used to, and it isn't gaining as fast as our competitors'. And this is the other side of the story, which shows up in its own, more negative way.

The young scientist just out of university is angry and frustrated that he cannot find a job. Like thousands of our young people, he is talented and has worked hard. But with only 4 Canadian manufacturing firms out of 100 doing any research and development (R&D), his talent and hard work may not find the outlet they deserve.

The young factory worker is worried as she sees her friends laid off and her own shifts shortened. She doesn't want to go on unemployment insurance, but she's probably working for one of those 50 per cent-plus of Canadian manufacturers using not one of the 22 leading manufacturing technologies essential to success in the 1990s. As their productivity falls behind, they lose orders and she and her friends lose their jobs.