

I'm always glad to speak to university students, and in particular to students of economics, trade and commerce. About a third of a century ago I was one of you, studying commerce at the University of Toronto. So I think I know where you are coming from.

You have learned the elements of what makes or breaks an enterprise. You know the factors of production; what constitutes good management; the need for innovation and risk-taking; the value of careful preparation, execution and follow-through. And you know, too, that the success or failure of a business also depends to a greater or lesser extent on the kind of economic environment that governments create. While times change, those basic elements don't.

By far the biggest difference between business today and business as it was in 1959, when I graduated, is the phenomenon of globalization. It has created both vast opportunities and tough challenges.

It has forced every government and every business in the world to address the question of how to fully participate in today's international, interdependent economy -- how to get ahead of the wave of trade and investment that is sweeping over the earth.

Today I want to discuss how the federal government, over the past eight years, has tried to create an economic environment that will help this country respond to the global trade and investment challenge.

Of course, there are those who feel we don't need to respond to that challenge. They argue that by exposing ourselves to the winds of global competition we are really playing into the hands of nefarious "multinationals." They would like to leave Canada as it was, in some idealized past.

It is a debate that I relish because the facts and figures speak for themselves. For example, it is a fact that when I finished university in 1959, Canada's per-capita gross domestic product (GDP) was a little over \$8,000 per year. Today the figure, adjusted for inflation, is roughly two and a half times greater -- over \$20,000 a year.

Over that same period, a little over three decades, Canada's exports and imports as a percentage of our GDP, again adjusted for inflation, also rose by about two and a half times.

Also over those three decades, the composition of our exports changed. From 1960 to 1990, manufactured exports grew from under 10 per cent to more than 40 per cent of total exports.

In other words, the more we have traded, and the higher the value of the products we have had to offer, the wealthier we have