

responsibility to remain economically viable. We agree that the industry is making a significant effort to remain competitive.

And none of us would deny that the international aerospace industry is characterized by high levels of government support. If Canada wishes to remain a player in the international industry, the Government of Canada must continue to play a major role.

But in addressing these your industry's specific concerns, I hope that we will also have an opportunity to talk about the challenges that the Canadian economy as a whole faces in the coming years.

These are challenges that affect your ability to compete. They have an impact on your ability to find skilled employees or negotiate research consortia. They have an impact on your ability to tap international markets or raise financing for plant expansion.

And these certain basic challenges affect the broad spectrum of Canadian industry.

Let me describe the challenges in terms of the World Competitiveness Report. Every year the Geneva-based World Economic Forum ranks the 24 Organization for Economic Co-operation and Development (OECD) nations according to their ability to compete in the global marketplace.

In 1984, we were ranked in eleventh place overall. That was before the Government's Agenda for Economic Renewal had a chance to take effect. That Agenda has been at the heart of government policy since 1984. It is still in place today.

The Agenda for Economic Renewal includes deficit reduction, deregulation and the privatization of over 20 Crown corporations. It includes modernizing and streamlining Canada's intellectual property laws. It includes bold and innovative measures to open new markets for Canada -- the Free Trade Agreement and the Going Global initiative, to name just two.

Has the Agenda for Economic Renewal been effective? Yes. We were in eleventh place in the World Competitiveness Report in 1984. In 1990, Canada's ability to compete was ranked fifth in the world.

Good news. Certainly an indication that we're on the right track. But when we look more closely at the report, we find causes for concern. We've gone a considerable distance in