

OVER FOUR YEARS. THIS IS OVER AND ABOVE THE R AND D BUDGETS OF THE TWELVE MEMBER-STATES (SLIDE TWELVE). THE EC IS DETERMINED TO PUT ITS INDUSTRIES ON A NEW COMPETITIVE FOOTING, BY CLOSING THE TECHNOLOGY GAP WITH THE USA AND JAPAN. THE BENEFITS OF THE WORLD'S LARGEST SINGLE MARKET PLUS \$10 BILLION IN NEW MONEY FOR R AND D IS GOING TO GO A LONG WAY TO ACHIEVE THAT.

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10. I HOPE I HAVE GIVEN YOU AT LEAST AN IMPRESSION OF WHY MAJOR DEVELOPMENTS IN EUROPE MATTER TO CANADIAN BUSINESS. AND THE SINGLE MARKET/1992 IS PROBABLY THE MAJOR ECONOMIC DEVELOPMENT IN EUROPE SINCE THE EC WAS FOUNDED IN 1957. IF IT IS SUCCESSFUL (AND EVERY INDICATION IS THAT IT WILL BE) IT WILL SUBSTANTIALLY CHANGE OUR COMPETITIVE ENVIRONMENT. IN SOME AREAS, WE WILL FACE STRONGER EUROPEAN COMPETITION NOT ONLY IN THE EUROPEAN MARKET, BUT IN THIRD-COUNTRY MARKETS AROUND THE WORLD, AND IN OUR OWN NORTH AMERICAN MARKET. BUT WE WILL ALSO FACE INCREASED OPPORTUNITIES IF CANADIAN FIRMS CAN MATCH THE COMPETITION AND SEIZE THEIR OWN PIECE OF THE LARGER ECONOMIC PIE THAT WILL RESULT FROM THE 1992 EXERCISE.

11. A FEW BASIC THINGS HAVE TO BE SAID ABOUT THE SINGLE MARKET/1992 EXERCISE: