

community as Europe prepares for 1992 and beyond. Our plan is to develop regular Parliamentary consultations through visits and to foster closer working relationships between Canadian and European private sectors through our ITAC/SAGIT structure.

During the past year, I have been working to increase our links at the political level. Since January, I have travelled to 5 different European countries. The U.K., France, Italy, Germany and Spain. I co-chaired the first session of the joint Canada-Italy Working Group in Rome, as well as the Canada-France Commission in Paris. I intend to continue to raise the flag.

The primary framework for our dialogue with the EC remains the GATT. The GATT remains the most effective constraint we have on the behaviour of large powers like the Community and Japan. For middle power trading nations like ourselves, a functioning GATT is essential. It will be increasingly important as we negotiate the Community's external policies which will be affected by internal market reforms.

Competition is no longer only measured merely in trade and exports. To gain access to foreign markets, innovation and technology, companies need increasingly a visible and enduring presence secured through direct investment - the kind of overseas presence already achieved by companies like Bombardier. In today's global economy, what are needed are alliances; joint ventures and strategic partnerships. That's what our third initiative, the "European Trade and Investment Development Strategy" is all about. It focuses on sectors that offer real potential for Canadian companies and contains the specific programs to assure us a presence in Europe.

Our program will be concerned with joint ventures, technology transfers and the promotion of industrial cooperation between Canadian and European firms. We plan to identify Canadian companies that are sufficiently well established and interested in developing such relationships.

Technology acquisition will continue to be of importance to Canada. The number of technology development officers will be expanded. Focussed activities will include up to ten incoming and outgoing technology missions in targeted sectors and five studies of European niche technology in sectors of interest to Canadian firms.