

Good afternoon. Thank you for that kind introduction.

The Canadian American Society of the Southeastern United States has been working to enhance trade relations between Canada and the United States for more than a decade now. The Society of International Business Fellows -- the leading international business organization in the southeastern United States -- is to be congratulated for its efforts to promote international curricula at your colleges and universities, and broadening understanding of international business and the international environment.

Let me begin by saying a few words about two major milestones in Canada's national life. Three weeks from now my party -- the governing Progressive Conservative Party -- will choose a new leader and therefore a new Prime Minister of Canada. Before the year is out, that new Prime Minister will have to call a general election.

As we approach these milestones, let me first try to give you some sense of what Canada has accomplished in the past few years, and where we are going, so that you -- our allies, our investment and trading partners and our friends -- will know what you can expect.

When Prime Minister Mulroney steps down in June, he will bring to an end a remarkable tenure. I think the *Washington Post* summed it up well in an editorial back in February. It said:

With notable courage, Brian Mulroney did most of the things that a Prime Minister of Canada ought to do. He raised taxes to reduce a menacingly large budget deficit. He struggled to resolve Quebec's long quarrel with the rest of the country. He negotiated a sweeping trade agreement with the United States, resulting in a rapid rise of trade across the border.

Through policies such as expenditure control, deficit reduction, tax reform, deregulation, privatization and trade liberalization, the Agenda for Economic Renewal that our government introduced in 1984 has served as the bedrock on which to build a progressive, forward-looking economy. In 1984, of course, this all constituted a significant change of direction. And whoever wins my party's leadership on June 13, it will not be lightly or soon abandoned.

When we came to office in 1984, Canada's debt was hardly seen as a consideration in public policy debate. One result of the Mulroney government's continuing effort to control spending is that today the debt and deficit are constant considerations in any such debate at all levels of government.