

resources. The fact is that the challenges presented by Europe and France in the Seventies have yet to be met.

But the reasons that prompted us to act then are every bit as strong today. The potential for Canada's relations with Europe and France must not be judged by our limited past successes or only by pointing to past constraints. We must base our judgment on a vision of the Canada and France of tomorrow.

**Three
economies**

Canada's economy is breaking out of its traditional mold. In fact, it might be said that three types of economy co-exist in Canada, each complementing or competing with the other. The first, and the best known in Europe, is based on our immense natural resources, the store of which has been remarkably enriched by prospecting during the Seventies. Our policies are not Malthusian, and the future needs of the great industrial economies will lead us to do more to develop our resources. There can be no doubting the potential. Not only can we become a larger supplier of raw materials and finished products for France, but our need for investment, technology and equipment should allow France to play an active role in our development.

Along with this first economy is a large industrial complex that was shaped by our continental context and the historic pattern of our tariffs. This second economy includes industries that are exposed to competition from other parts of the world. In this sector, we share the same problems of adaptation as most other industrialized countries. Like them, we have started the necessary restructuring and modernization, realizing the difficulties that the stagnation of this sector can present for both our partners and ourselves.

But we also have a third economy, a new economy that is undoubtedly little known in France. This is our high technology economy. You will find it already forging ahead in such future-oriented fields as data processing, telecommunications, aeronautics and space. Our presence in the front ranks of international competition is clear evidence of our creativity in these sectors.

With its immense reservoir of resources and its competitive involvement in advanced technology, Canada is perhaps the last frontier of development in the industrialized world. And on this frontier, you will find neither battlefields, nor machines of destruction nor massacres, but stable institutions rooted in tolerance and freedom. This extraordinary potential calls for co-operation between French and Canadian companies. And even if first contacts and co-operative efforts have been made, the real task lies ahead.

I was talking a moment ago about the transformation of the Canadian economy. France itself has undergone a profound process of industrial, technological and social development. Its industry has transcended the narrow confines of our national borders and the traditional trading patterns. France is determined to be present
