

Our trade figures have not been particularly encouraging. Our two-way trade is expected to increase by one third in 1984, undoubtedly a reflection of the healthier state of our economies, but it should still fall short of \$2 billion (Cdn.).

The investment picture is brighter. France is the fourth largest investor in Canada, controlling assets worth \$6 billion. And this is growing. The recently announced investments by Pechiney and AMC/Renault by themselves will boost that figure to \$8 billion.

Businesses today realize that the expansion of trade patterns are linked to investment. We estimate that the Renault/AMC plant in Brampton, Ontario will in itself generate an extra \$300 million in sales of French goods in Canada. An investment of this magnitude also stimulates related investment in sub-contracting. This process results in job creation, a vital objective in both of our countries.

It has come to my attention that American and Japanese investment in France is growing. If we want to increase our share of European markets, including France, more Canadian firms will need to invest on this side of the Atlantic. The recent agreement between PetroCanada and the French Petroleum Institute is of course encouraging, but there is plenty of room for other initiatives. We could co-operate more in areas such as forestry and fisheries, for example.

Joint ventures with research and development potential for both partners is another promising avenue, and I would point here to the collaboration of Canadian and French companies in defence contract bidding.

Our respective business communities, in particular our small- and medium-size businessmen, have not so far fully realized the extent of the potential our national economies offer to each other. This is not, I suggest, entirely their fault.

In the past 15 years or so our two governments have spent an immoderate amount of time and energy in the management of the political relationship, perhaps at the expense of our mutual economic interests.

But that is now behind us. The meeting of our two prime ministers was the beginning of a new era in our relationship. It confirmed at the highest levels the importance that both governments attach to the strengthening of our economic co-operation. In this respect, there are a number of concrete steps we should begin at once to take.

First of all we should dedicate ourselves and the institutions we represent, whether public or private, to a better understanding of what our two countries really are. What are their respective economic and technological achievements? What are the implications of these achievements for enhanced co-operation?

This means more organized visits by economic decision-makers of both countries, more encounters between business people, particularly those in small- and medium-sized businesses. The visits organized through your Chamber are precisely what we need. I hope there will be many more of them, and that