

access to investment and technology; and must consider strategic alliances through cross-licensing, co-operative marketing, manufacturing agreements, and Research and Development (R&D).

I would like to mention one example here -- Intelligent Manufacturing Systems (IMS), a new approach to manufacturing in the initial stages of implementation in factories worldwide. IMS now involves the collaboration of Japan, Australia, the European Community, the European Free Trade Association, the United States and Canada. The IMS program grew out of the recognition by member countries that, in the global marketplace of the future, countries and industries can ill afford to develop research-intensive, expensive and potentially competing technologies. Rather, it will be essential to establish strategic alliances and collaborative efforts whose results can be shared. IMS is an exciting project, and I am pleased to note that Steve Van Houten is an active member of the Canadian IMS Steering Committee and that he chairs the Industry Advisory Committee.

In my view, such partnerships will be just as important to Canada as technology is in creating a wedge for greater penetration of foreign markets. I also believe that it is not too dramatic to say that, for Canada and Canadian companies, the question of learning and adopting these techniques is literally one of survival. Since the international competition is already in high gear, it may be fair to say that there is not a great deal of time left for Canadian companies to get moving.

Simply put, international trade is our bread and butter. One in three Canadian jobs -- and our enviable standard of living -- depend on it. The competitiveness of our exporters, and there are many of you here this morning, is a key reason why, in September, the International Monetary Fund predicted that Canada's real gross domestic product would rise over four per cent next year -- faster than that of any other industrialized nation.

A good part of my job as the Minister of International Trade is to help open foreign markets through negotiations. That process begins with negotiating freer trade between nations, and we have been as aggressive as any government in the world in our pursuit of trade liberalization.

Canada and the U.S. entered into a Free Trade Agreement (FTA) while still negotiating the General Agreement on Tariffs and Trade (GATT). While the latter process remains to be completed, there is little doubt that the FTA has already produced benefits.

The FTA keeps the largest trading relationship in the world on track in spite of mounting protectionism and global recession. It helps to localize trade disturbances and is having a positive