

First, learning. Your industry has helped drive a demand for learning. You have helped create the "smart jobs" that require more specialized skills. You have helped create an environment in which skills become obsolete more quickly. In the next decade, nearly two-thirds of all new jobs created will require at least a high school diploma. In that same period, fully 40 per cent of those new jobs will require more than 16 years of training. Yet about half of all workers beyond school age in 1986 had less than a high school education. The problem is made worse every year as three out of ten high school students drop out. Many of them join the 38 per cent of adult Canadians who are functionally illiterate.

Your industry requires well-trained professionals. So, your industry also depends upon Canada developing a learning culture. Here in Canada, as elsewhere among our trading partners, the challenge is not only to educate the young but also to renew the skills of those now in the work force. As the pace of technological change increases, so the need for renewal of skills also increases. And how are you going to keep your employees abreast of new developments in the industry? Employee training has become a key feature in the ability of companies to compete.

The second major area which determines competitiveness is science and technology (S&T). No one here needs to be told how S&T will drive the competitiveness of industry in years ahead. Your profits depend on your making that very point to your customers. And you are well aware that our S&T challenge is two-fold. First, how can we increase the amount of research and development? And equally important, how to improve the diffusion of new technology?

Your research and development activities play an important role in determining not only your competitiveness but also that of other sectors of the economy. Indeed, Statistics Canada recently found that software is the most pervasive R&D technology in this country. The competition has been fierce. Product life cycles are short and getting shorter. Around the world successful companies have had to concentrate more and more on product enhancements and follow-on products. The result has been that your R&D expenditures are among the highest of any industry.

Doing more R&D means more strategic partnering with universities, government, and industry labs and among companies to create and exploit the market opportunities this R&D identifies. Doing research and development, and transforming it into new technology is important. Equally important is our willingness to use new technology. Companies that have seized the opportunities that your technology provides have been able to thrive in the global marketplace. What more can be done to get your products to the industries that need them?