We know that in 1986, half Canada's workers beyond high school age had not completed high school. Now, three out of every ten high school students in Canada drop out, many to become part of that grimmest statistical group: the 38 per cent of adult Canadians who lack the literacy skills needed to function fully in a modern society.

We have to turn those statistics around. We have to create a learning culture. We have to improve the learning culture for youngsters so they stay in school. And we have to create a learning culture for adults who will need continuous training and retraining to adjust to the impact of technology on their jobs.

As a nation, we are learning the lessons that your industry -- and other industries -- throughout the world have learned: science and technology are keys to success in the new global marketplace.

Canadians must find new approaches to improve Canada's performance in making a seamless connection from research and development in the laboratory -- to production in the plant -- to sales in the global marketplace. It is just this spectrum that successful companies will increasingly exploit to expand their business opportunities. Canadian companies are beginning to realize the benefits to be derived from forging strong strategic alliances.

Government has a role in science and technology. The university and private research and development sector has a role. Business has a role just as important -- whether it be in doing its own research and development or transferring technology through international collaboration. Improving Canadian science and technology is a challenge that must be met if our economy is to adjust to changing circumstances; develop new and improved processes, services and products; and create high-quality jobs.

Competition for investment funds has increased as a result of the rapid and unexpected changes in the world economy. Investment capital is critical in maintaining growth. Canadians must think in new terms about creating an investment climate which encourages savers to link with innovators and entrepreneurs.

We have made significant reforms aimed at improving the taxation system, increasing tax fairness and creating an economic environment attractive to investors. Our measures to reduce inflation have reduced the cost of investment money; we will continue to battle inflation and, at the same time, encourage creation of more and larger pools of capital for small businesses and entrepreneurs.

A major part in the creation of more capital investment funds is gaining control over government spending. Canadian companies compete in capital markets with their federal government's need