

in this sector are somehow less meaningful than jobs in manufacturing.

Canada is strong in the knowledge industries that constitute the engines of growth in the new economy. They enrich and invigorate every other sector, including the traditional industries that are still our major assets -- that still contribute mightily to our economic growth.

A final thought about our current situation before I close.

The school of hard knocks is a tough place to get an education, but it offers a highly relevant curriculum. The recession has taught Canadians a lot about productivity. The question is, will the lesson be retained?

It's not an academic question. We've been in this situation before. We came out of a painful recession in the early '80s. In those years too, business and government drove themselves hard. By 1987, the economy was on a roll. At that point we let up on the oars, perhaps more than we should have. Hindsight is always 20-20. And by hindsight we can see that it would have been better to paddle harder than ever.

We've got a chance now to turn hindsight into foresight.

The economy has started to come back. Labour productivity grew by 1.8 per cent in 1992. The Organization for Economic Co-operation and Development says that Canada's productivity growth this year will be among the highest in the G-7. It is a lot easier to make the adjustments we need to achieve productivity in a growing economy than in a declining one.

The challenge now is to resist the temptation to take a break, to keep the pressure up, to continue to drive ourselves. And, when times are good, to do so, without the wolf at the door. This is a time for discipline and perseverance.

I would like to see more companies active internationally. And not just because it would improve our exports and competitiveness. Companies that compete year in, year out, with the best from other countries keep their edges sharp. Success in that arena is achieved by world-class performance. It is achieved by talented and aggressive people taking on the best in the world. Entrepreneurs using state-of-the-art technology to meet their customers' needs in imaginative ways. That's the formula for success. And the crucible for that chemistry is international competition.

Competitiveness is ultimately about people. Overcoming the tragedy of unemployment will require competitive companies