

But the last six months have seen events that were not measured or predictable. Yesterday's unthinkable is today's reality. Canada has to be and is a full-fledged player in those fora that are shaping events to meet the expectations of all those looking for freedom.

This brings me to discuss with you the extraordinary Bonn Conference on economic co-operation in Europe to which I led a group of senior Canadian executives. I was extremely pleased to participate in the first ever East/West Conference where there were only winners. We have moved from a period of "detente" to one of "entente".

In fact all 35 participating states, committed themselves to the principles of market economics and linking economic development to fundamental western values such as multi-party democracy, the rule of law and human rights.

The participating states recognized the importance of economic reform. They accepted the objective of creating free and competitive market economies where prices are based on supply and demand.

The active participation of representatives of the business sector underlined the fact that while governments have the responsibility to provide an adequate overall framework for economic activity, the decision to do business and the source of economic growth lie with the business community.

The actions of the private sector will be crucial to the process of economic reform and regeneration in the USSR and Eastern Europe. Each of the Eastern European governments will choose its own path and its own pace but all have recognized the need to move to a price and market based economy.

The Canadian Government is actively working to ensure that we participate in the economic transformation of Eastern Europe, and to realize the benefits of this opening of markets. We intend to work in partnership with the Provinces and the private sector.

As an example of our participation, we are a full member in the European Bank for Reconstruction and Development which will create opportunities for Canadian companies to be directly involved in the development of the region. We are also creating a special fund of