

of course the Action Plan will be all for nought if we fail at the same time to maintain our current markets for raw materials, which remain an essential nucleus of our exports to Japan.

Some of these markets are particularly vulnerable. Lower prices have led to declining profits in Canada's coal industry, for example, a situation that can only lead to low levels of investment and future supply difficulties. This is a dangerous mix, particularly when combined with continuing pressures to buy more coal in the United States.

We must achieve a dual focus: maintaining our current resource business, but building for the future by putting emphasis on the value-added product that Canada can and will supply to Japan.

Let me now turn back to the first of the two recommendations of Forum 2000 of particular interest to you, the one advising governments to remove impediments to bilateral corporate investment, strategic alliances and technological exchanges.

We have heard what the Forum was told concerning several issues, including the confusion around competing jurisdictions and rapidly evolving policy, particularly in the environmental area. We are working to address these concerns.

Back in 1984, we introduced an Agenda for Economic Renewal that recognized macro-economic performance is critical to a positive investment environment in Canada. Through policies like expenditure control, deficit reduction, tax reform, deregulation, privatization and trade liberalization, the Agenda for Economic Renewal has served as the bedrock on which to build a progressive, forward-looking economy. In 1984, of course, this all constituted a significant change of direction. But it will not be lightly or soon abandoned.

We have had to make some tough -- at times unpopular -- decisions. But they are paying off.

We are out of the recession. We have had a positive growth trend since the second quarter of 1991. There are strong indications that the Organization for Economic Co-operation Development (OECD) will prove correct in its forecast that our gross domestic product (GDP) growth will lead the Group of Seven leading industrialized nations (G-7) in 1993. Canada's prime rate is at its lowest in 21 years. Mortgage rates are down.

Canada's 12-month Consumer Price Index measuring inflation was 1.9 per cent in March, and the year to year inflation rate for the first quarter of 1993 averaged 2.1 per cent. That's very good by historic as well as G-7 benchmarks.