

There will be tough times. The FTA provides the framework for managing trade disputes with the U.S.; it doesn't eliminate them, or make them easier to negotiate. And the subsidy negotiations will be no piece of cake.

But, the Agreement provides Canadian firms with the economies of scale and the stronger competitive base required to pursue opportunities everywhere in the world.

It lets Canada seize the opportunities that will emerge from European unification.

It helps us take advantage of the immense Asian export and capital markets.

All that depends, of course, on Canadian firms adapting new technologies and marketing techniques. But the FTA makes us world-scale, and that is a big step forward.

The Government is acutely aware of our duty to alert Canadians to changes in Europe and Asia and to target key sectors for export growth.

To meet the challenge of Europe 1992, we plan four major initiatives:

- A "European challenge campaign" to study and explain the implications, technical requirements and market opportunities of the post-1992 European market to Canadians.
- A "European Trade policy strategy" to strengthen our ability to effectively pursue Canada's interests with the European Commission and in key European capitals.
- "A European trade and investment development strategy" for sectors that offer real potential for Canadian companies.
- "A Canada-Europe science and technology strategy", to establish new bridges of trade and technology.

There is an equal challenge across the Pacific, with the growing influence and affluence of the Asian economies and their export-led growth.

We are following a Pacific 2000 strategy, a five year package of initiatives which build on the Free Trade Agreement and strengthen Canadians' ability to deal with Asia Pacific. The initiatives include: