

*The Address*

Small and medium sized business needs technology. Technology diffusion has to be the key to building a more active and more aggressive small and medium sized business sector. It is clear in the studies that have been done that growing small business means adequate capital, adequate access to new and existing technologies, good marketing and management skills. Those are the keys. There are no secrets here.

• (1245)

The question is: How do we help small business in achieving the things that it knows?

[*Translation*]

It is clear to us that the small and medium-sized businesses are the key to the economic recovery that, I believe, we are all waiting for.

[*English*]

We also need to concentrate our efforts on building a new and innovative economy. Canada is a very blessed country. We enjoy enormous prosperity and have over many years. Why? It is largely because we find ourselves in a country that is rich in natural resources. We built our prosperity on resources we were able to access easily and that the world wanted to buy from us for very good prices.

During the war my predecessor, whose desk I am proud to sit at in my ministry, C. D. Howe, built the Canadian manufacturing economy to meet the needs of the war. After the war, he was able to transform it to peaceful purposes behind tariff barriers.

At a time when Europe was flattened and when the new competition we now face in Asia was virtually non-existent, Canada was able to build a strong manufacturing based economy. There we were as we came through the 1950s and 1960s. With strong sales of natural resources, high prices and a good manufacturing base, things were going well for us. It looked like it would never end.

Today the problems that we face in some ways reflect upon the very strengths that we had in those decades. It was easy for us to be prosperous at that time relative to many other countries that had to build their war-torn economies up from the ground.

Now we find that our cheapest natural resources have been sold off. It becomes more expensive for us to acquire them whether they are from the forests or the mines. The fish are gone. Agriculture is becoming tough and competitive. Our manufacturing economy that was built up during and after the war is finding that change is overtaking it.

The rebirth of Europe in the 1960s and 1970s was tough competition. Now we have the emergence in Asia of strong manufacturing based economies. These are the problems we face. What do we do now?

We need to find the innovation and the change that will enable us to compete against these companies in places around the world. If I can put it in a phrase, my objective as Minister of Industry is to make the Canadian business sector synonymous with quality and innovation. It is by emphasizing these two characteristics that we are going to regain our place in the world. That will be the key to our economic growth.

Some people think governments do not play a role in these things. They think one just stands back and lets the world unfold as it is going to. That is wrong. Government plays a very important role in this. Government has to play a role solving some of the problems we talked about earlier. Government also has to play a role itself in not being an obstacle.

We are prepared to work with provincial governments to ensure that whatever burdens are being placed on business can be reduced. As an initiative of this government we want to work with the provinces to reduce duplication and overlap.

[*Translation*]

As the Minister of Intergovernmental Affairs said, overlap is indeed a concern for the government.

[*English*]

We are prepared through strategic investments, through the Canada Investment Fund, through the creation of technology networks and by giving leadership on issues like the electronic highway to help the Canadian business sector to move forward into the 21st century.

• (1250)

The information highway is a good example of the fact that government has a role to play. We saw Vice President Gore in the last weeks make a major statement on what the information highway can mean and look like in the United States. We have to play a leadership role in defining what this highway is to look like, how it is to help Canadian business move forward into the future.

We have some advantages here as a country which is so huge geographically and so sparsely populated. We have built strengths in telecommunications and in satellite communications, despite what may have happened to Anik. Those who want to watch it on Newsworld will have to miss it for today.

However, there are strengths that our Canadian industrial base has within it that will tie perfectly to the rapid explosion of the information technologies. One of the roles of government is to provide the necessary leadership. We want to help find ways in which the regulatory regime should be structured to encourage the right level of competition of Canadian ownership. Those are two of our goals. We will see to it that we are in the right place to