

for young Canadians, a Minister of State for Youth will be appointed.

While young people will receive special attention, the employment strategy of the Government will touch every group in society. Additional funds for this winter will be allocated to the Canada Works Program. Job opportunities in forestry, mining and the fishery will be enhanced through flexible uses of Unemployment Insurance funds.

Two new programs will be introduced. Canada's massive, diverse and vital voluntary sector will receive incentives to hire Canadians through a National Voluntary Service. A conservation corps—Environment 2000—will be created to employ Canadians to carry out essential tasks in reforestation and national park development.

Developing our Regional Strengths

Direct action to create jobs is essential. But the major opportunity for increasing employment is through the expansion of our industrial and resource sectors. We must reconstruct the basis for long-term economic growth and seize the opportunities provided by the recovery.

We must start by building on our regional strengths.

To ensure a strong national economy capable of providing jobs and meeting the needs of all Canadians, wherever they may live, federal programs and funding have already been re-organized in a new Industrial and Regional Development Program. It will support recovery through concrete initiatives, taking maximum advantage of the strengths and attributes of every region.

A new era of federal-provincial planning and consultation is being launched. Federal economic development activities will more effectively support regional economic opportunities and the reduction of regional disparities. To this end, negotiations are underway to sign comprehensive Economic and Regional Development Agreements with the provinces. These agreements will include such key sectors as agriculture, forestry, minerals, tourism, transportation and industrial development. The first of these agreements was recently concluded with the Province of Manitoba. Federal purchases of goods and services, worth over \$6 billion annually, will be planned in co-operation with the private sector to maximize regional and industrial benefits.

An Aggressive Trade Drive

Canada is a trading nation and a substantial part of our future growth must be led by exports. To spur this growth, the Government proposes a series of policy initiatives.

The scope of the successful Program for Export Market Development (PEMD) will be extended to support service industries and to encourage private trading houses.

Under current import duty remission procedures, "duty free export zones" will be established for the manufacturing and processing in bond of goods for export; as well, the Customs Act will be streamlined and modernized.

Active pursuit of world product mandates by Canadian subsidiaries of multi-national corporations, and the winning of additional export markets by Canadian companies, will be assisted by competition policy and direct funding.

To promote Canada's position as a Pacific Rim nation, the Government will move to facilitate establishment of the Asia Pacific Foundation of Canada.

While seeking new markets in the Pacific Rim, Europe and the developing world, we must continue to expand business and improve relations with our largest trading partner, the United States. Sectoral trade agreements with the United States will be examined in such areas as specialty steel products, urban transportation equipment, petrochemicals, textiles and clothing.

Competitive World-Class Industries

To compete in the world economy, Canada needs to modernize capital facilities, develop new industries and rebuild plant and equipment.

A key element in sustaining Canada's growth and creating jobs will be the increased use of micro-electronic technology. Legislation will be introduced to confirm the tax incentives for research and development announced in the April Recovery Budget. Further steps will be taken to implement the technology policy announced earlier this year, including creation of a national micro-electronics design network. The Natural Sciences and Engineering Research Council will receive additional funds. A newly created Office of Industrial Innovation will work closely with Canadian industry to develop commercial application of new technologies.

The automobile industry is crucial to our economic well-being. Stabilizing employment in automobile manufacturing and its supplier industries is an essential task. The Government intends to seek a Canada-Japan Auto Agreement for the benefit of both countries, leading to additional production facilities and parts procurement in Canada.

Planning for industrial reconstruction and new investment must be based on business-labour-government consensus. Sectoral collaboration is at the core of the Government's industrial policy. Three business-labour task forces, on the automotive, aerospace and forestry industries, have now reported and are receiving responses. Another task force on the petro-chemical industry is underway. The benefits of such collaboration are already evident—in aerospace, more than 8,000 new, permanent, high-technology jobs and potential new export sales of over \$20 billion will result from the Government's initia-