

The cutting edge of global economic integration right now is in Eastern Europe. Mr. Gorbachev has said he wants to bring the Soviet Union into the international trade and payments system. What would be the implications of this for the western industrialized democracies? And for our business communities?

The government recently announced a \$42 million economic assistance package that will encourage economic reform and political change in Poland and Hungary. This package seeks to implicate the Canadian business community in the process of economic development in these countries by encouraging investment and joint ventures. It is after all the private sector that is best able to help Poland and Hungary transform their economies from ones based on the centrally planned model to ones based on the market. I encourage you to make contact with the Canadian coordinator for this programme, Mr. Eric Bergbusch.

Canadian business has made an impressive beginning in Eastern Europe already. In Hungary, recent acquisitions have made Canadians among the most active players after West Germany.

Prime Minister Mulroney will be visiting the Soviet Union later in November. More than 100 Canadian businessmen will make the trip along with him, seeking out opportunities in that vast potential market, and participating in the inaugural meeting of the Canada-USSR Business Council.

Some of the nations of Latin America are beginning to show the signs of the economic adjustment that is a pre-condition for a return to more stable growth. In our recent policy review of Latin America we concluded that the government should devote more attention to our relationships with our hemispheric neighbours south of the Rio Grande. The Prime Minister announced in San Jose last week our intention to join the Organization of American States.

The key to ensuring Canadian competitive advantage in global markets is a cooperative approach between business and government.

When I travel to international meetings, I see the evidence of active participation by the private sectors of the OECD countries in framing national positions. And in Canada we have developed a more cooperative, coordinated approach. I'm thinking of the ITACS and the SAGITS in particular.

But I believe Canadian business can be more aggressive in putting forward its views on global issues in organizations such as the International Chamber of Commerce. Just as we in government have