

the private sector to create jobs, it should also take the lead in making critical R&D investments. However, in the late 1980s Canadian industries' investments declined as a percentage of GDP. As a result, Canada has the lowest level of R&D investment of any of the G-7 nations. We need greater business investment in R&D. We need more pure research, more applied research, and we desperately need more scientists and engineers.

Third, financing investment, putting money back into the product. Working capital drives growth. We need to invest in physical capital. And in infrastructure. Both are essential to make productivity gains. We need to encourage business to go for these productivity investments.

Fourth, a competitive domestic market. We all know about inefficiencies and barriers to trade within the Canadian common market. The Canadian Manufacturers' Association has identified 500 such barriers which cost Canadians over \$6 billion a year, or \$1 000 for a family of four.

And fifth, trade, the end result of the other four. No G-7 nation, excepting only Germany, is more reliant on trade than we are, and like them we need to expand our pursuit of every available trade opportunity.

As we seek to build a competitive consensus in the weeks and months to come, we hope to develop with all stakeholders a strategy for Canada, one to take us through this decade and into the next century. And who are those stakeholders? Quite simply, all of us, all Canadians in all regions of Canada.

We began in this country with many competitive advantages. We have been blessed with strategic geography and unparalleled natural resources. Our natural markets, the United States, the Pacific Rim and Europe, are the biggest and richest in the world.

The United Nations survey on human development -- a study on health care, education and the environment -- ranks Canada as the second best country in the world in which to live. But I suspect that most of us, deep in our hearts, think of Canada as second to none. We all want to keep our country united and prosperous. These goals will be ours if we meet the competitive challenge of the 1990s.

Thank you very much.