

FOREWORD

The Department of External Affairs is pleased to present the first part of a study on the Implications of a Single European Market. This report, *The Effects on Europe*, details the major economic and trade effects of the integration. It also provides a clear picture on the situation, the general expectations, and the responses by European governments and industries to the unification legislation and implementation measures.

For the first part of the study, Business International, the consulting arm of *The Economist*, surveyed 425 executives of major European and non-European companies for their views on the Single Market and its effects on their industry and on their own corporate strategy.

The second part of this study on the Implications of the Single European Market will analyze the effects of 1992 on Canada's trading, investment, and technology interests in specific sectors. It will be released by sector from the fall of 1989 to early 1990. A third part will examine the response of other non-Community countries to the Single Market.

The creation of a Single Market of 325 million people will offer Canada new business prospects. To take advantage of these opportunities, the time to prepare is now.