

government in Canada, as well as the strengthening of Canada's relationship with the US.

Also, both prime ministers share the common philosophy that government must strive to help create an atmosphere where the entrepreneurial spirit will flourish. These ties are important, because a cordial and trusting relationship between governments and their leaders does create a positive atmosphere for business activity.

So yes, the ministerial visits you mention are terribly important — even if they do sometimes place a modest strain on my hospitality budget.

Do you see much of a role for joint ventures between the two countries, involving both Canadian and UK companies?

Very definitely. I think joint ventures are part of the future. They are a great way to fight competition. London, of course, is unique as a world business centre — a place where projects throughout the world are put together, packaged and decided upon. We are therefore working in London with Canadian business, supporting their efforts to land a greater share of projects in Asia, Africa and the Middle East.

Also, we offer in Canada a sound base for penetrating the American market. The US is within easy reach. Canada-US relations have never been better. Our access to the US market is on a sound footing. We will protect that access and continue to improve it through ongoing trade negotiations.

But I don't want to give the impression that trade and investment will be my only preoccupations. That's what we've talked about, and our time is running out. But there are many other areas I will be involved in.

Very quickly then, what are some of those other areas you will concentrate on?

Well, I have a strong interest in the arts. It's a personal interest of mine, so I will be devoting a lot of energy to promoting the works of Canadian artists in the UK. We have a large number of programmes here at the Commission, and I value them greatly.

You will see me at the trade shows, yes — but I can also say that there won't be a cultural show at the Commission where I won't be present if at all possible.

Also, I intend to remind myself constantly that the UK is not only London. So I will be travelling around the country, trying to meet as many people as I can. The human dimension in government-to-government relationships — as in any other kind of relationship — is all too often overlooked. I think that's a mistake to be avoided.

Thank you, Mr McMurtry

Roy McMurtry speaking at a recent meeting of the Canada-UK Chamber of Commerce in London.



Canadian Budget encourages initiative, growth and jobs

On May 23, the Canadian government brought down its first full Budget since taking office last year. This article looks at the main proposals of that Budget, plus the thinking that lies behind them.

The Budget presented by Finance Minister Michael Wilson is aimed at encouraging private initiative, economic growth and lasting jobs. It is also designed to produce more efficient and effective government; and it contains tough measures to reduce the deficit and Canada's rising national debt.

The measures it proposes are realistic and fair. These actions represent a fundamental break with the past, in that they call for Canadians — and not their government — to choose what is best for Canada. To that end, Wilson said, the Budget was preceded by the most extensive round of consultations ever held.

The actions in the Budget are also consistent with the urgent priorities for international economic renewal, affirmed by the leaders of the major

industrial nations at the Bonn summit. As Wilson said: 'At home and in concert with our international partners, we are working to free up the entrepreneurial spirit, to remove obstacles to productive growth, to lower barriers to international trade, to control and reduce high deficits and to let the dynamism of our renewed economies produce jobs and opportunities for all.'

In 1984, the Finance Minister noted, real growth in Canada was 4.7% the highest since 1976. Inflation averaged 4.4% the lowest since 1971. Interest rates have recently declined, and longer term mortgages are beginning to appear — a sign of growing confidence. Nonetheless, he added, while more than 200 000 jobs have been created since the Conservative Government took office, there are still close to 1.4 million Canadians unemployed.

The Budget therefore addressed the vicious circle of unemployment and rising debt, recognising that high deficits constrain the ability to promote growth and job creation, while high unemployment contri-