

compassion, tolerance and justice that is characteristic of Canadian society.

These are our basic challenges.

Let me now go into a bit more detail about two specific areas -- trade and investment -- in which you and I have specific and direct interest.

Just as for the United Kingdom, trade is Canada's life-blood. Exports account for almost one-third of our national income. Some two million Canadians work in industries that directly or indirectly depend on exports. Yet our trade performance should be much better. One of the fundamental thrusts of my government will be to refurbish Canada's stature as a first-class world trader.

We also know that the goal of securing and improving access for Canadian products to foreign markets will not, of course, be achieved without responding to the interests which our trading partners have in equitable access to markets in Canada. Since Canada is the only major industrial country without un-impeded access to a market large enough to permit substantial economies of scale, we understand that.

There is an emerging international consensus, which both the UK and Canada are in the forefront of, in favour of a new round of multilateral trade negotiations under the GATT. These negotiations will provide an opportunity to reduce barriers to trade, to tighten discipline on the use of non-tariff measures. They should also facilitate, and secure increased commitments to multi-lateral trading obligations from newly industrialized and developing countries. As economic summit partners, we will need to examine, as a matter of priority, the preparations necessary for a new round of GATT negotiations, and the opportunities such negotiations might present.

The climate for foreign investment in Canada is also about to become warmer. We all appreciate that growth depends on investment and that trade and investment are intertwined. Because Canada is an immense country with a relatively small population, much of our investment must come from foreign sources. That is why we appreciate the important role which British investment in our mining, forestry and energy sectors, and in a wide range of manufacturing and service industries, has played in our economic development.

Canada is fundamentally attractive to foreign investors. It is a rich and productive land. It offers an