

world -- were discussed last March by Prime Ministers Hawke and Mulroney. We should give them serious consideration. One is the exchange of technology, the other the establishment of joint ventures. Both would help us respond to the new trading environment in the world.

I would urge Canadian and Australian business executives to look for new ways they can collaborate. For want of a better term, the expression "industrial cooperation" has come to be applied to all these new forms of international business beyond the traditional buying and selling of goods.

For some of you, investment in Canada may offer benefit. Indeed, those of you who follow Canadian affairs will know that our Government this year created Investment Canada, an agency designed to encourage foreign investment. Another option would be to license a Canadian firm to produce your product there. In either case a Canadian centre of production could be a great source of strength in servicing your markets in the United States as well as in Canada.

Canada is presenting a freer business environment in other ways, as well. The changes we have made in the National Energy Policy are very important. I would draw your attention to the new energy accord between the federal government and the provinces of British Columbia, Alberta and Saskatchewan. This Western Accord frees the forces of the marketplace. It provides a fairer fiscal regime for the industry and invites participation by foreign companies.

Turning the proposition around, Canadians have long recognized that Australia is a good place to invest. You are the fifth largest recipient of Canadian foreign investment. Australia might also be a good location from which Canadians could tackle other

markets in the Pacific. I would urge Canadian companies to give careful consideration to forming joint ventures with Australian firms. The good relationship we have in traditional trade is the best basis from which to examine new undertakings such as joint ventures.

The statement by the two Prime Ministers in March and the seminar this morning all have been intended to stimulate you to think of new ways of doing business with Canada. I have a specific example of firms that show this flexibility, but I can't tell you much about it because the companies involved are in the final stage of negotiations this week. This much I can tell you, however. The Canadian firm has developed a new high-tech electronic device. So has the Australian firm. The Canadian firm's product is unique in that it is the only device to meet certain international standards. But to use the Canadian product you also need a product of the type the Australian firm has developed. The Canadian firm is negotiating with the Australian firm to secure the exclusive world-wide marketing rights to the Australian company's product. Once negotiations are complete -- and that could be today -- the two firms, acting together, will be able to offer a complete system. It should be a world-beater of a combination.

This is the kind of fresh thinking which could be of real benefit to us both. A small dose of collaboration -- "industrial cooperation" if you will -- can make our companies better competitors in world markets.

We in government can make introductions by sponsoring events such as the Canadian Technology Seminars to be held in Melbourne and Sydney this coming March. We can make the environment for collaboration easier by changing or eliminating regulations when they impede sensible business