

Turning now to Canada's place in the global economy, I would like to review with you how the Canadian Government has focused on revitalizing Canada's economy.

--Gross domestic product has grown by an average of 4 percent, a rate second only to Japan, among major OECD countries;

--real business investment increased by an average 7.8 percent from 1984 to 1988;

--Canada's nominal exports have increased by 23 percent over those years, including a 47 percent increase to the European Community, a 42 percent increase to Japan and a 20 percent increase to the U.S.A.;

--the federal deficit has been brought under control and further progress is expected as a result of tough measures in our recent budget.

--competition policy has been modernized, to check anti-competitive behaviour more effectively but also to recognize the increasingly global context in which we must operate;

--major reforms have been made to permit the integration of financial services and to liberalize foreign ownership rules for financial investors. For example, foreign institutions can now acquire domestic security firms and further reforms are planned to make financial services more internationally competitive;

--major privatizations include the Canada Development Corporation, de Havilland Aircraft, Canadair, Canadian Arsenals, Teleglobe, Fisheries Products International and privatization of Air Canada is now under way;

--restrictive foreign investment policies of the past have been turned around. The foreign investment review agency has been turned around. It has been replaced by Investment Canada, with a mandate to increase international investment in Canada; and

--we followed a policy of emphasizing trade first, through a two-track trade negotiation strategy...multilaterally under the Gatt and bilaterally with the United States...and, second, by developing new growth opportunities, particularly with Europe and the Pacific Rim.