

wire and cable companies selling to provincial utilities and phone companies must establish local residency in order to win contracts. They know the country is over-regulated when trucks transporting goods across Canada have to obtain 10 different approvals, as well as complying with regulations in each province.

Let me give you just one specific example here in Toronto. When they were building the SkyDome, the contractors selected a Saskatchewan company to install two 1,000 horsepower boilers. But because of government preference for Ontario products, they had to install four 500 horsepower boilers, at a significantly higher cost.

And while we are phasing out most trade barriers with the U.S. under the FTA, we retain internal trade barriers that cost us billions every year, and hurt our competitive position. And some of them, in beer and wine, for example, are unacceptable under the General Agreement on Tariffs and Trade. Because of such international trade obligations, foreigners are gaining preferential access to Canadian markets. Surely it is time Canadians enjoyed at least national treatment in Canada!

Progress on these issues has been slow -- far too slow -- and there is more work to be done by all of us: government, business and labour. Once we have taken the first two steps necessary to create an effective economic union, Canada will need a mechanism to maintain the integrity of the market -- the third element essential to ensuring an economic union. The private sector is an essential part of this process; you know and can complain about the establishment of new barriers.

You may also have good suggestions about institutional changes which will help to maintain the integrity of the internal market. Governments could establish a tribunal to deal with such compliant and correct policies that create new barriers. To do so will require the utmost of inter-governmental co-operation that you here to-day have an interest in encouraging and supporting.

If we are to prevent backsliding from our initial resolve to eliminate the barriers, we will require a combination of political will and continuing commitment on the part of the private sector. Maintaining the integrity of the market is essential to maintaining the competitive advantage we gain thereby.

There has been some controversy about our proposal to strengthen the economic union. Some have suggested that it is too sweeping, that we could use it to take over key provincial assets in both the public and private sector -- indeed some have