

I am here because there are some very interesting programs of international development being pursued between our government and your Federation. Modern international development programs hold immense opportunities to Canada, many of which can be seized only with imaginative civic leadership.

I have been reading press reports about the "Big Fix", and some expectation that I might be coming to dispense \$15 billion. I have spoken at some fund-raising events before, but never with a tab that high, not even in Toronto. In case there had been any genuine suspense about that issue, let me end it now. I am not carrying \$15 billion as the price of admission to this lunch.

We have begun discussion under the "Federal Water Policy" of help we can offer respecting infrastructure. These include pricing policies, requirements for industrial discharges, and financial help under existing regional development programs.

We think it would be useful to review the accuracy and the equity of some of the cost projections provided in your 1985 study, and review as well the applicability of techniques we have had to apply in getting control of Canada's finances, the scope for user fees, for privatization, and other reforms.

The federal government provides tens of millions of dollars each year to assist provinces, and in turn municipalities, to provide essential services. This is done either directly through special projects or indirectly through broad transfer programs and federal tax exemptions.

We are prepared to continue genuine and innovative discussions with you to find means to help meet the most urgent of your needs, without disrupting a national economic policy which has made Canada one of the strongest economies in the Western world. These serious discussions should begin among officials, but should also include ministers, in an atmosphere that allows direct exchanges and an honest review of what you really need, where we could realistically help, and how that fits legitimate national priorities.

Indeed it is my view that a country like ours, with so much to gain from making the right decisions, should encourage more consultation among leaders in different fields - consultation approached in reality by both sides. We do that in preparation for international economic summits, where Canada plays an increasing role. We have effective collaboration in preparing some of the international programs I am here to discuss. And we would welcome realistic suggestions about how to deal with the most urgent of your problems.

If there is anyone here who remembers the 1960's, you might recall the signature song of Bobo Dylan, who became a prophet by proclaiming: "The times, they are a-changing." That might have been startling in the sixties, but change has become commonplace now. First consider four factors about the world beyond our borders.