

Thank you for your welcome. I am pleased to address you on the occasion of the 78th annual meeting of your association. This number alone is quite impressive and serves to remind me of the major contribution that your industry makes to the prosperity of our country.

Four days ago, the people of Canada turned the page on constitutional reform. I took from their answer that Canada's prosperity can and must be built within our existing constitutional arrangements. Since 1984, when the federal government brought in its Agenda for Economic Renewal, this is precisely what we have been doing, and what we will continue to do in the future. The Agenda forms the basis of our successful transformation of the sluggish economy of the early 1980s, our plan to help position Canada for the 1990s and beyond.

Let us remember some of the dramatic measures that the government has taken as part of that Agenda. We privatized over 20 Crown Corporations and have been downsizing our bureaucracy. We have contained growth of public spending to less than the rate of inflation and turned a substantial operating deficit into an operating surplus. So, despite the weak economy, federal revenues are more than covering our program spending. We reformed corporate, personal and sales tax regimes.

We negotiated a Free Trade Agreement (FTA) with the United States, which gives us more secure access to our largest export market. We have recently concluded negotiations resulting in a North American Free Trade Agreement (NAFTA), and we continue to give top priority to the conclusion of the Uruguay Round of the General Agreement on Tariffs and Trade (GATT).

We have encouraged direct investment from abroad and implemented aggressive trade development strategies. Fully one-quarter of all our jobs are generated by trade and depend on our capacity to keep up with the intense competition of an increasingly integrated global market, which is why the government's Agenda has focused on promoting Canada's trade competitiveness.

This Agenda has secured substantial competitive advantages for Canada, but no one stakeholder can secure prosperity for Canadians. If Canada is to retain its high standard of living, we will need a new spirit and level of co-operation among governments and all other sectors of our society. Above all, we will require the continued boldness, innovation and sophistication of our export sector -- a sector that yielded a record \$10 billion of exports to the United States in July of this year.

The challenge before Canadians is to build on the competitive advantage that these structural changes have achieved for Canada. To help Canadians meet this challenge, the federal government launched the Prosperity Initiative last year. Its objective was to develop a consensus-based plan of action for business, labour,