

NOTES FOR AN ADDRESS BY
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DEPUTY PRIME MINISTER
TO
THE CANADIAN CLUB
TORONTO
FEBRUARY 26, 1979

MR. CHAIRMAN:

I AM PARTICULARLY PLEASED TO BE WITH YOU TODAY AND I THANK YOU FOR YOUR GRACIOUS INTRODUCTION. I SHALL BE TALKING TO YOU THIS AFTERNOON ABOUT A "COUNTDOWN" - NOT A POLITICAL ONE (THOUGH I AM SURE YOU WOULD BE EQUALLY INTERESTED IN THAT SUBJECT) BUT ABOUT AN INTERNATIONAL ECONOMIC COUNTDOWN OF GREAT IMPORTANCE TO CANADA AND INDEED TO THE WHOLE FUTURE OF THE WORLD TRADING SYSTEM.

I REFER, OF COURSE, TO THE IMMINENT CONCLUSION, AFTER NEARLY SIX YEARS, OF THE MULTILATERAL TRADE NEGOTIATIONS IN GENEVA - NEGOTIATIONS WHICH HAVE INVOLVED NOT JUST THE MAJOR TRADING NATIONS BUT A TOTAL OF ALMOST 100 COUNTRIES, BOTH DEVELOPED AND DEVELOPING, AND WHICH ACCOUNT AMONG THEM FOR NEARLY 95 PERCENT OF WORLD TRADE.

INTERNATIONAL TRADE HAS NEVER BEEN A MATTER OF REMOTE CONCERN TO CANADIANS. DIRECTLY OR INDIRECTLY, IT IS CENTRAL TO THE PROSPERITY OF EVERY SECTOR OF OUR ECONOMY, INCLUDING SERVICES. ON THE EXPORT SIDE, FOR EXAMPLE, OUR SALES ABROAD ACCOUNT FOR ONE DOLLAR IN EVERY FOUR OF OUR GROSS NATIONAL PRODUCT OR, TO PUT IT IN PHYSICAL TERMS, OVER ONE-HALF OF WHAT WE PRODUCE MUST FIND MARKET OUTSIDE CANADA. ON THE IMPORT SIDE, TRADE PROVIDES US WITH MANY OF OUR PRODUCTION INPUTS, WITH A

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BROAD RANGE OF CONSUMER GOODS, AND WITH MUCH OF THE COMPETITIVE CHALLENGE WHICH HELPS TO BUILD EFFICIENT AND PRODUCTIVE INDUSTRIES.

AS THINGS STAND AT THE MOMENT, OUR TRADE ACCOUNT IS IN SURPLUS. THIS DOES A GREAT DEAL TO COVER SOME OF THE DEFICITS INCURRED IN OTHER AREAS. WE ARE DETERMINED THAT THIS SURPLUS SHOULD INCREASE EVEN FURTHER. IN THIS RESPECT, THERE ARE TWO ELEMENTS IN PLAY. ONE IS WHAT WE CAN DO OURSELVES TO IMPROVE OUR ECONOMIC PERFORMANCE. THE OTHER IS THE TYPE OF WORLD TRADING ENVIRONMENT IN WHICH WE SHALL BE WORKING.

I THINK WE HAVE TO FACE THE FACT THAT WE ALLOWED OURSELVES, DURING THE MIDDLE YEARS OF THE SEVENTIES, THE LUXURY OF BECOMING MORE AND MORE UNCOMPETITIVE IN RELATION TO OTHER COUNTRIES. THIS SITUATION WAS MASKED FOR A TIME BY THE GENERALITY OF ECONOMIC PROBLEMS FACING MOST COUNTRIES - HIGH INFLATION, HIGHER ENERGY COSTS, SLOWER GROWTH AND BUSINESS UNCERTAINTY. BUT AS IMPORT PENETRATION ROSE, EXPORTS SLOWED DOWN, AND INFLATION REMAINED HIGH, WE HAD TO COME TO TERMS WITH REALITY. AND JUST IN CASE WE WERE UNABLE TO RECOGNIZE WHAT WAS HAPPENING, THE WORLD SENT US A SIGNAL WHICH COULD NOT BE IGNORED - THE SHARP DECLINE IN THE VALUE OF OUR DOLLAR.

WE HAVE TAKEN STEPS - AND WILL CONTINUE TO TAKE STEPS -

TO TURN THIS SITUATION AROUND. CURRENT POLICY IS INCREASINGLY ORIENTED TO THE CREATION OF WEALTH AND LESS TO THE DIVISION OF WHAT WAS FALSELY ASSUMED TO BE AN EXPONENTIALLY EXPANDING PIE. BUSINESS HAS BECOME LEANER AND FITTER; WAGE SETTLEMENTS ARE MORE REALISTIC; PRODUCTIVITY HAS BEEN RISING. WE ARE FIGHTING OUR WAY BACK AND WITH SOME SUCCESS AS THE TRADE FIGURES ARE BEGINNING TO SHOW. THE LOWER EXCHANGE RATE HAS, OF COURSE, HELPED OUR EXPORTS AND ACTED TO BRAKE IMPORTS. BUT AS COSTS RISE BECAUSE OF HIGHER IMPORT PRICES, SUCH ADVANTAGES TEND TO ERODE. IT IS VITAL TO USE THE PRESENT BREATHING SPACE TO RE-ESTABLISH OUR POSITION, TO MAKE THE ADJUSTMENTS NEEDED TO EXPLOIT OUR OPPORTUNITIES, AND TO BUILD FROM THE NEW BASE.

SWIFT ACTION IS ESSENTIAL, FOR THE WORLD IS NOT GOING TO STAND STILL WHILE WE GET OUR HOUSE IN ORDER. OUR COMPETITORS TOO ARE ADAPTING TO SLOWER GROWTH, HIGHER ENERGY COSTS AND NEW RELATIONSHIPS BETWEEN CURRENCIES. THEY, LIKE CANADA, MUST ADJUST TO THE EVER-CHANGING NATURE OF PRODUCT DEMAND. THEY, LIKE WE, MUST ACCOMMODATE TO AN ACCELERATED PACE OF INNOVATION AND TO THE PRESENCE OF NEW AND HIGHLY COMPETITIVE SUPPLIERS IN THE MARKET PLACE - INCLUDING A NUMBER OF THE MORE ADVANCED OF THE DEVELOPING COUNTRIES. AND ALL OF US WILL BE WORKING WITHIN THE NEW TRADING FRAMEWORK WHICH IS EXPECTED TO RESULT FROM THE NEGOTIATIONS IN GENEVA.

I SHALL NOT SPEAK IN DETAIL ABOUT THE MANY AND VARIOUS ASPECTS OF THESE NEGOTIATIONS. IN GENERAL TERMS, HOWEVER, WHAT WE SHOULD EXPECT TO SEE IS A SIGNIFICANT REDUCTION IN INDUSTRIAL TARIFFS; IMPROVED ACCESS TO OTHER MARKETS FOR OUR AGRICULTURAL AND FISHERIES PRODUCTS; AND THE REMOVAL, REDUCTION OR AMELIORATION OF A WIDE VARIETY OF NON-TARIFF BARRIERS WHICH, IN ONE WAY OR ANOTHER, LIMIT THE EXPORT OF PARTICULAR PRODUCTS.

IN ADDITION, ATTEMPTS ARE BEING MADE TO REVISE AND UPDATE A NUMBER OF BASIC TRADING RULES, SUCH AS THOSE GOVERNING THE USE OF TEMPORARY IMPORT RESTRICTIONS AGAINST DISRUPTIVE IMPORTS, SUBSIDIES AND COUNTERVAILING DUTIES, ANTI-DUMPING DUTIES, AND RESTRICTIONS IMPOSED FOR BALANCE-OF-PAYMENTS REASONS. WE ARE ALSO LOOKING AT WHAT ARE TERMED INTERNATIONAL CODES OF CONDUCT. ONE OF THESE IS INTENDED TO OPEN UP CERTAIN ELEMENTS OF GOVERNMENT PROCUREMENT TO INTERNATIONAL COMPETITION. ANOTHER WOULD BRING UNDER CONTROL THE TENDENCY TO USE STANDARDS AND TECHNICAL REGULATIONS IN SUCH A WAY AS TO CREATE UNNECESSARY OBSTACLES TO TRADE.

FINALLY, WE ARE LOOKING AT NEW GATT LEGAL PROVISIONS DESIGNED FURTHER TO FACILITATE THE TRADE OF DEVELOPING COUNTRIES AND TO HELP THEIR ECONOMIC GROWTH. AT THE SAME TIME WE SHOULD

SEE THE BEGINNING OF UNDERSTANDINGS AND ASSUMPTIONS OF RESPONSIBILITY WHICH WOULD PROGRESSIVELY BRING THE MORE ADVANCED OF SUCH COUNTRIES MORE FULLY WITHIN THE FRAMEWORK OF RIGHTS AND OBLIGATIONS ACCEPTED BY DEVELOPED MEMBERS OF THE TRADING COMMUNITY.

IT IS NOT OFTEN THAT INTERNATIONAL NEGOTIATIONS OF THIS SCOPE AND COMPLEXITY ARE UNDERTAKEN. THE CURRENT ROUND IN GENEVA IS CERTAINLY THE MOST AMBITIOUS ATTEMPTED SINCE THE GATT ITSELF CAME INTO BEING SOME 30 YEARS AGO. IN TOTAL WHAT SEEMS LIKELY TO EMERGE WOULD AMOUNT TO A REVISED BASIC FRAMEWORK FOR WORLD TRADE AND ONE LIKELY TO APPLY FOR MANY YEARS TO COME, CERTAINLY INTO THE 1990'S AND PERHAPS EVEN FURTHER.

AS IN ALL NEGOTIATIONS, THERE HAVE, OF COURSE, BEEN DISAPPOINTMENTS AS WELL AS SUCCESSES. WHILE NO SUBJECT MATTER HAS BEEN DROPPED FROM THE GENEVA AGENDA, PROGRESS IN SOME AREAS HAS NOT BEEN AS GREAT AS AT LEAST SOME COUNTRIES HAD ORIGINALLY HOPED. IN THE INDUSTRIAL AREA THE RESULTS IN TERMS OF TARIFF REDUCTION WILL BE LESS IN SOME SECTORS THAN IN OTHERS. THE EVENTUAL REACTION TO WHAT HAS BEEN ACHIEVED WILL NATURALLY VARY DEPENDING ON WHETHER THE INTEREST CONCERNED SOUGHT MORE OPEN ACCESS TO MARKETS OR WAS MORE INTERESTED IN THE MAINTENANCE OF EXISTING PROTECTION. BUT IN GENERAL WE CAN ANTICIPATE A

SUBSTANTIAL RESULT SO FAR AS INDUSTRIAL TARIFFS ARE CONCERNED AND ONE WHICH SHOULD PERMIT PRODUCTION AND INVESTMENT PLANNING TO BE CARRIED OUT ON THE BASIS OF SIGNIFICANTLY IMPROVED ACCESS TO WORLD MARKETS.

TRADITIONALLY, INTERNATIONAL NEGOTIATIONS IN THE AREA OF AGRICULTURE HAVE BEEN DIFFICULT AND TRADE LIBERALIZATION HAS BEEN LESS THAN IN THE INDUSTRIAL FIELD. IN THE CURRENT ROUND SOME INTERESTING GAINS WILL HAVE BEEN MADE, TAKING AGRICULTURE AS A WHOLE. BUT MANY EFFICIENT AGRICULTURAL COUNTRIES WILL BE DISAPPOINTED THAT GREATER ACCESS FOR THEIR PRODUCTS COULD NOT HAVE BEEN GAINED IN FOREIGN MARKETS. AND YOU WILL HAVE NOTICED THAT THE NEGOTIATIONS UNDER UNCTAD AUSPICES FOR A NEW INTERNATIONAL WHEAT AGREEMENT HAVE NOT BEEN CROWNED WITH SUCCESS. SO FAR AS THE NEW CODES ARE CONCERNED, VERY REAL PROGRESS HAS BEEN MADE IN MOST AREAS. BUT IN GOVERNMENT PROCUREMENT, WHILE A GOOD SET OF RULES HAS BEEN DEVELOPED TO PERMIT FOREIGN SUPPLIERS TO PARTICIPATE FAIRLY IN GOVERNMENT PURCHASING, I THINK WE SHALL SEE THAT ONLY A BEGINNING WILL HAVE BEEN MADE SO FAR AS THE AMOUNT AND CHARACTER OF PROCUREMENT WHICH GOVERNMENTS ARE AT THIS STAGE READY TO OPEN UP.

SO FAR AS THE PROSPECTIVE RESULTS FOR CANADA ARE CONCERNED, THE PICTURE IS SIMILARLY MIXED. IN GENERAL, WE

EXPECT TO SEE SIGNIFICANTLY IMPROVED ACCESS TO MARKETS ABROAD FOR OUR CATTLE, MEATS, OILSEEDS, VEGETABLE OILS, CERTAIN GRAINS, MANY FRUITS AND VEGETABLES AND A RANGE OF PROCESSED AGRICULTURAL PRODUCTS. CANADIAN CONCESSIONS WILL ALSO HAVE BEEN MADE, COMMENSURATE WITH THE EXPORT BENEFITS RECEIVED. AS TO OUR TRADE IN AGRICULTURAL PRODUCTS WITH THE UNITED STATES WE SHOULD SEE, AS WELL AS LIBERALIZATION, THE ELIMINATION OF MANY OF THE TARIFF DISPARITIES WHICH HAVE TENDED TO DISTORT TRADE FLOWS BETWEEN THE TWO COUNTRIES.

BETTER OPPORTUNITIES ARE ALSO EXPECTED FOR THE SALE OF OUR FISH AND FISH PRODUCTS IN THE UNITED STATES, EUROPE AND JAPANESE MARKETS - ESSENTIAL OUTLETS FOR THE LARGER CATCHES TO BE HARVESTED FROM OUR ENLARGED COASTAL FISHING ZONES.

ON THE INDUSTRIAL SIDE, IN ADDITION TO IMPROVED ACCESS GENERALLY FOR MOST PRODUCTS THERE WILL BE DE-ESCALATION OF TARIFFS WHICH HAVE PROTECTED THE PROCESSING OF RAW MATERIALS AND FOODSTUFFS IN FOREIGN MARKETS TO THE DETRIMENT OF PROCESSING AND UPGRADING IN CANADA. THERE WILL BE AREAS, HOWEVER, WHERE PROGRESS IN THIS DIRECTION WILL BE LESS THAN WE WOULD HAVE WISHED.

SUBJECT TO THE IMMINENT RESOLUTION OF A NUMBER OF

IMPORTANT ISSUES, A MAJOR DEAL IS IN PROSPECT WITH THE UNITED STATES AND THE RESULTS WILL BE VERY IMPORTANT BOTH FROM THE POINT OF VIEW OF EXPORTS AND OUR FURTHER INDUSTRIAL DEVELOPMENT. THERE ARE STILL SIGNIFICANT GAPS, HOWEVER, IN THE OFFERS BEING PUT FORWARD BY JAPAN AND THE EUROPEAN COMMUNITY - OFFERS WHICH HAVE NOT TAKEN ADEQUATE ACCOUNT OF MANY OF OUR ESSENTIAL EXPORT INTERESTS. IF WE ARE TO REACH MUTUALLY BENEFICIAL AGREEMENT WITH THESE COUNTRIES, IMPROVEMENTS IN THEIR OFFERS WILL HAVE TO BE FORTHCOMING, PARTICULARLY AS REGARDS CERTAIN AGRICULTURAL AND FISHERIES PRODUCTS AND IN THE AREA OF FOREST PRODUCTS AND NON-FERROUS METALS. FAILING THIS, AGREEMENT MAY HAVE TO BE REACHED AT A SOMEWHAT LOWER LEVEL OF CONCESSIONS.

AND I SHOULD MENTION THAT GOOD PROGRESS IS BEING MADE IN THE NEGOTIATION OF A SPECIAL AGREEMENT FOR THE ELIMINATION OF DUTIES BY THE MAJOR INDUSTRIALIZED COUNTRIES ON AIRCRAFT, AIRCRAFT PARTS AND AIRBORNE EQUIPMENT, BROADLY DEFINED. THIS IS OF HIGH PRIORITY FOR THE CANADIAN INDUSTRY. THE AGREEMENT ALSO ADDRESSES A NUMBER OF PARTICULAR MEASURES WHICH GOVERNMENTS CAN AND DO TAKE AND WHICH CAN INFLUENCE THE PRODUCTION AND MARKETING OF THESE PRODUCTS. WE ARE ENDEAVOURING TO ENSURE THAT THESE PROVISIONS OF THE AGREEMENT ARE ALSO ACCEPTABLE FROM THE CANADIAN POINT OF VIEW.

IN GENERAL, THERE SHOULD BE MUCH GREATER ASSURANCE AND CERTAINTY OF ACCESS TO FOREIGN MARKETS FOR OUR EXPORTS AS A RESULT OF IMPROVED TRADING RULES AND THE BRINGING OF A NUMBER OF NON-TARIFF BARRIERS UNDER BETTER INTERNATIONAL CONTROL.

THE PROPOSED CODE ON SUBSIDIES AND COUNTERVAILING DUTIES WILL CLARIFY THE INTERNATIONAL RULES WITH RESPECT TO THE USE OF EXPORT AND OTHER SUBSIDIES AND THE ACTIONS THAT CAN BE TAKEN TO DEAL WITH THEM SO FAR AS TRADE MAY BE AFFECTED. IN ACCORDANCE WITH THE CODE U.S. LAW IS EXPECTED TO BE AMENDED SO THAT A DETERMINATION OF MATERIAL INJURY TO A DOMESTIC INDUSTRY IS A PREREQUISITE TO THE APPLICATION OF COUNTERVAILING DUTIES. THIS SHOULD DO MUCH TO REDUCE THE RISK OF CANADIAN EXPORTS BEING SUBJECT TO U.S. COUNTERVAIL ACTION WHEN THEIR PRODUCTION HAS BENEFITTED FROM GOVERNMENTAL ASSISTANCE.

THE RANGE OF DEFENSIVE MEASURES WHICH WE SHALL BE ABLE TO TAKE AGAINST UNFAIR COMPETITION AND DISRUPTIVE IMPORTS WILL BE MORE CLEARLY DEFINED AND THE APPLICATION OF SUCH MEASURES WILL BE MORE UNIFORM AS BETWEEN TRADING COUNTRIES. THIS WILL BE IMPORTANT FOR CANADA BOTH IN TERMS OF PROTECTION FOR OUR DOMESTIC PRODUCERS AND CONSTRAINTS ON THE ACTIONS

WHICH CAN BE TAKEN BY OTHER COUNTRIES AGAINST OUR EXPORTS.

THE RULE OF LAW IN INTERNATIONAL TRADE WILL APPLY OVER A LARGER AREA OF COMMERCE BECAUSE OF THE NUMBER AND SCOPE OF NEW CODES AND RULES AND BECAUSE MORE PRECISE DISPUTE SETTLEMENT PROCEDURES ARE BEING BUILT INTO THE TRADING SYSTEM. THIS SHOULD LIMIT AREAS OF POSSIBLE ARBITRARY ACTION AND HARASSMENT IN INTERNATIONAL TRADE AND COULD BE PARTICULARLY IMPORTANT FOR A TRADING NATION SUCH AS CANADA VIS-A-VIS ITS LARGER TRADING PARTNERS.

THERE ARE MANY OTHER ELEMENTS IN THE PROSPECTIVE MTN RESULTS WHICH ARE OF CONSIDERABLE SIGNIFICANCE. BUT I DO NOT WISH TO TRY YOUR PATIENCE AND I THINK I HAVE SAID ENOUGH TO GIVE YOU SOME IDEA OF OUR STAKE IN THE OUTCOME OF THESE NEGOTIATIONS.

HOW IS THIS ALL GOING TO AFFECT CANADA? A GREAT DEAL WILL DEPEND ON OUR OWN CAPACITY TO ADJUST, NOT ONLY TO THE NEW EXPORT OPPORTUNITIES ABROAD BUT TO THE CHALLENGES OF NEW COMPETITION AT HOME. WE SHOULD NOT FALL INTO THE TRAP, HOWEVER, OF ASSUMING THAT THERE WILL BE NO REQUIREMENTS FOR ADJUSTMENT OTHER THAN TO THE MTN. THERE HAS ALWAYS BEEN A CONSTANT AND DYNAMIC PROCESS OF INDUSTRIAL CHANGE IN CANADA.

AND IT WILL BE SO IN THE FUTURE. BY WAY OF OTHER CHANGES TO WHICH WE MUST ADAPT ONE ONLY HAS TO CONSIDER, FOR EXAMPLE, THE DEMOGRAPHIC SHIFT WHICH IS TAKING PLACE IN OUR POPULATION; THE RAPID PACE OF TECHNOLOGICAL DEVELOPMENT; THE EVERCHANGING TASTES AND PATTERNS OF CONSUMER DEMAND; CHANGES IN THE PRICE OF ENERGY; SHIFTS IN EXCHANGE RATES AND IN THE RELATIVE COMPETITIVE POSITION OF TRADING NATIONS (INCLUDING NEW SUPPLIERS). AND YOU COULD THINK, I AM SURE, OF DOZENS OF OTHER EXAMPLES.

SO FAR AS THE MTN ITSELF IS CONCERNED, THE TARIFF RESULTS WILL BE PHASED IN OVER WHAT SEEMS LIKELY TO BE AN 8-YEAR PERIOD, BEGINNING ON JANUARY 1, 1980. THIS WILL PERMIT AN ORDERLY PERIOD OF ADJUSTMENT AND FACILITATE THE TAKING AND IMPLEMENTATION OF NECESSARY INVESTMENT, PRODUCTION AND TRADE DECISIONS. IT HAS NEVER BEEN THE INTENTION OF ANY PARTICIPATING GOVERNMENT, NEEDLESS TO SAY, TO IMPOSE CHANGES AT A FASTER RATE THAN ITS ECONOMY CAN ABSORB.

SOME INDUSTRIES IN CANADA MAY FIND IT MORE DIFFICULT TO ADAPT TO THESE CHANGED CONDITIONS THAN OTHERS. AND AS YOU ARE AWARE THE GOVERNMENT WILL HAVE IN PLACE A VARIETY OF PROGRAMMES TO FACILITATE ADJUSTMENT BOTH TO THE OPPORTUNITIES WHICH LIE AHEAD AND TO HELP IN CERTAIN

SITUATIONS WHERE IT IS NOT POSSIBLE FOR THOSE CONCERNED TO ADAPT TO THE NEW CIRCUMSTANCES WITHOUT GOVERNMENT ASSISTANCE. THESE PROGRAMMES WILL, OF COURSE, ADDRESS THE NEEDS OF WORKERS AS WELL AS THOSE OF THE COMPANIES CONCERNED. WE FULLY RECOGNIZE THE PROBLEMS OF THOSE WHO, FOR VALID REASONS, MAY NOT BE ABLE TO MAKE THE SHIFT FROM LOCALITIES OF DECLINING EMPLOYMENT TO THOSE WHERE OPPORTUNITIES ARE GREATER.

WHILE GOVERNMENT ASSISTANCE WILL BE SIGNIFICANT WHERE IT IS AVAILABLE TO HELP INDUSTRY AND WORKERS ADAPT TO THE CHALLENGES AND OPPORTUNITIES FLOWING FROM THE MTN, MOST SUCH ADJUSTMENT WILL BE ACCOMMODATED THROUGH THE MARKET PLACE IN THE USUAL WAY. AND INDEED THE ADJUSTMENT CALLED FOR WILL, I BELIEVE, BE SMALL RELATIVE TO THAT WHICH IS ONGOING IN ANY EVENT AS OUR PRODUCERS AND MANUFACTURERS RESPOND TO CHANGING ECONOMIC CIRCUMSTANCES DAY BY DAY AND YEAR BY YEAR.

THE IMPORTANT OBJECTIVE IS, OF COURSE, TO IMPROVE OUR ECONOMIC PERFORMANCE. AND HERE I AM ENCOURAGED BY THE EXTENT TO WHICH BUSINESS, LABOUR AND GOVERNMENT HAVE IN THE RECENT PAST BEEN INCREASINGLY WORKING TOGETHER TO MAKE THIS HAPPEN.

THESE EFFORTS MUST BE CONTINUED. IN PREPARING OUR NEGOTIATING POSITIONS FOR GENEVA, THE GOVERNMENT HAD THE BENEFIT OF CLOSE AND CONTINUING CONSULTATIONS WITH ALL CANADIAN INTERESTS CONCERNED - WITH PROVINCIAL GOVERNMENTS, INDUSTRY, LABOUR, AGRICULTURAL, FISHERIES AND CONSUMER GROUPS, BUSINESS AND TRADE ASSOCIATIONS AND MANY OTHERS. SUCH CONSULTATIONS WERE OF GREAT VALUE IN WORKING OUT SOUND CANADIAN POSITIONS ON THE MANY DIFFICULT AND COMPLEX PROBLEMS BEING TAKEN UP IN GENEVA.

SUCH A CO-OPERATIVE APPROACH BETWEEN GOVERNMENT AND THE PRIVATE SECTOR MUST MORE AND MORE INSPIRE OUR EFFORTS IF OVER THE YEARS AHEAD WE ARE TO REMAIN COMPETITIVE, STAY IN THE MAIN STREAM, AND MAKE THE BEST OF OUR NATURAL HERITAGE AND RICH HUMAN ENDOWMENT. WITH EACH OF US SHARING A DETERMINATION TO DO SO I HAVE NO HESITATION IN EXPRESSING FULL CONFIDENCE IN CANADA'S CAPACITY TO WORK AND THRIVE IN THE POST-MTN WORLD. WE HAVE THE POTENTIAL. WE'LL PROVE BY PERFORMANCE.