

Joe Clark with British Prime Minister, John Major, meeting in London.

Canada has a particular interest in the evolution of an open, united Europe. Of course, we are not members of the European Community. Nor do we exert the sort of power which would ensure their sensitivity to our concerns. But we are traders. And we have a profound interest in the questions of foreign policy which are increasingly the subject of European political co-operation.

It is for this reason that Canada is now proposing a new phase in the development of Canada-EC political relations. This relationship should become more regular and more institutionalised. We are proposing regular meetings between the Prime Minister of Canada and the President of the European Council. These should be supplemented by regular in-depth discussions between the Canadian Foreign Minister and the Foreign Minister of each incoming Presidency. There should also be regular meetings between Canadian officials and experts on issues of common concern. In addition, we propose that there be an exchange of priorities at the beginning of each Presidency which would set the agenda for the upcoming period.

And finally, I was very attracted by West German Foreign Minister Genscher's proposal to me for an EEC-North American Declaration which would confirm shared principles and interests in openness and enhanced co-operation. Certainly, a broad re-affirmation of the trans-Atlantic relationships would be useful.

In trade, the challenge is acute. The Government has already announced its Europe 1992 strategy to help Canadian industry prepare for the opportunity and demands which the Single European Market will present to all traders. However, I also believe there may be virtue at the conclusion of the Uruguay round of trade negotiations in examining the desirability of a

formalised, open trading arrangement between Canada and the EC, perhaps including the United States – or other members of the OECD.

A new direction for NATO, an expanded role for the CSCE, and an intensified relationship with the EEC: those are the institutional pillars of our new policy towards Europe. They reflect our assessment of the most effective means by which the new Europe can be built. And they also reflect Canada's interests and assets – political, security and economic – in ensuring that we are at the table, that trans-Atlantic links are maintained and that our priorities are addressed.

But our policy towards Europe hinges, as does the future of the new Europe itself, on the continued success of the reforms now underway in the Soviet Union and Eastern Europe.

The West has an abiding interest in seeing the East succeed. That is why in 1989 we established a program to assist Poland and Hungary in their efforts at economic reform. It involved \$12-million in emergency food aid, \$20-million in export credit insurance for Poland, and \$10-million for economic development. Other efforts to support emergent democracies include Canada's participation in the European Bank for Reconstruction and Development, the setting up of a task-force to co-ordinate public and private enterprise assistance, studies and training, and the establishment of a political co-operation programme.

What is happening in Europe illustrates graphically today's imperative of interdependence: interdependence between countries and regions, and interdependence between issues – political, military and economic.

Interdependence means opportunity. It also means challenge. Global existence today does not have an escape clause – or an escape hatch.