

Our proximity to one another has often been to our mutual benefit. In 1778, the arrival of Benjamin Franklin in Montreal led to the establishment of Canada's earliest English-language newspaper, the *Montreal Gazette*. In the other direction, a young professor, James Naismith, came to Massachusetts from Montreal at the turn of the century and invented the game of basketball.

Within this coming and going between us, it is not surprising that a philosophy of openness to trade has developed. Just as Boston looks out to sea, your perspective has considerably been an international one. Despite the familiar siren song of isolationism that has been sung by many in the past, internationalism has always had a secure home in Boston and New England.

However, there is a notion gaining credibility in some quarters that 1994 was the year for international trade and that it is now time to move on to other issues. Yes, 1994 was a year for great accomplishments in trade liberalization: the conclusion of the Uruguay Round, the creation of the World Trade Organization [WTO] and the North American Free Trade Agreement [NAFTA], the initiatives to create free trade throughout the Western Hemisphere and across the Pacific to Asia.

In contrast, some seem to see this year as the time for concentration upon domestic priorities. In the United States these include the "Contract With America," balancing the budget, positioning domestic economic policy for next year's presidential election.

By some, trade seems to be thought of as "last year's issue." Trade, however, can never be "last year's issue" or "yesterday's issue." There are few more important "domestic" issues than the creation of jobs - and trade creates jobs.

International trade can never be pushed off the national agenda. Your competitors and ours never rest; neither should you or we. Government and business must continue to work together to respect and strengthen the trade and investment rules that form the basis of our continued prosperity.

In the unlikely event that anyone here today is sceptical about the benefits of global trade and investment, look back 50 years to the end of the Second World War. From a system that had bred chaos and strife, poverty and despair, we have emerged with an orderly series of interlocking and overlapping agreements that govern world trade. We have expanded our economies countless times.

The GATT [General Agreement on Tariffs and Trade] was the basis for the modern trading system. Back in 1947, the United States and Canada joined other like-minded countries in designing the