

of the General Agreement on Tariffs and Trade. There is agreement between our two countries that a new round is needed to combat growing protectionism in the world, to bring the international trading system into phase with the changes that have been taking place in world markets, and to address long-standing problem areas such as agriculture, quotas, subsidies and safeguards.

Forward movement toward an era of diminished trade obstacles would benefit us all. No single nation can set the pace for such a round of talks, nor can anyone set a precise agenda.

The fact is that trade between nations is no longer what it was ten or even five years ago. We used to trade goods and that was it. Now we trade ideas. Much of the trade between Canada and New Zealand is still composed of tangible commodities, but more and more our firms are associated in other ways. We produce goods under licence. We use each other's brand names. We take a television program and produce new wealth by rebroadcasting it. We have one country's pop music stars record in another country's studio. We assiduously follow the latest twist in production methods, which often turn out to have been developed in Japan. The Japanese tell us that they simply followed advice received 30 years ago from the United States.

It is in the context of such a changing world that we in Canada have urged that progress toward a new round of negotiations proceed with the minimum of delay. And we are happy that New Zealand agrees.

Not only have we called for progress on the world stage, we have also served notice of our intention to begin talks with our neighbour and predominant trading partner, the United States, about ways to reduce or eliminate the barriers that still exist be-

tween us. We believe this step could do more than serve the particular interests of Canada and the U.S. We believe it could also set a positive example for the other trading nations of the world. It is our hope that the initiative we are taking with the United States will hasten, rather than impede, a wider and more general easing of trade barriers.

There are obvious similarities between what we hope to do with the States and your arrangement of "Closer Economic Relations" with Australia. The disparity in size between the two partners is one of them, and we have been watching your example with interest. There may be other wrinkles we should consider as well as we begin discussions with the United States. We know how the C.E.R. works on paper, of course, but the ins and outs of practice might have some relevance for us. I hope that corporate executives I meet in New Zealand will give me the benefit of their personal experience with the C.E.R.

We all have much to share. The complex web of commercial links we simplify and call "trade" has brought us together in ways we could not have imagined a few years ago. The furry and exotic "Chinese gooseberry" of the past, for example, is now the kiwi-fruit, and a Canadian housewife can drive through the snowdrifts to her neighbourhood supermarket to buy it. She may not even know that it was picked halfway round the globe.

Trade is a wonderful thing. It does not force us into paths of uniformity, it allows us to wander away from them. It gives us a means of broadening and enriching our lives, and our nations. Trade is not a zero-sum activity, it is one by which everybody gains. But it is also a fragile web. We must work together to keep it in repair.