

NATO and the CSCE are two complementary institutions in building the new Europe. But there is another institution - the European Community - which is central to Europe's future identity and prosperity.

The European Community is now a welcome and fundamental pillar of the international system. A uniting Europe is an engine of prosperity and a trigger to enhanced trade. Increasing co-operation in the political and, eventually, the security fields will ensure European consensus and co-ordination in ways which can only enhance international stability.

But, Mr. Speaker, a wall dividing Europe cannot be supplanted by a wall around Europe. Two impermeable blocs cannot be replaced by one new bloc which, whether in trade or security or political matters is less open to dialogue and co-operation than it is today. The new Europe must be an open Europe, open to the West and open to the East.

Of course, Canada is not a member of the European Community. 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, more intense Canada-EC relationship. 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 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 relationship 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 formalized, open trading arrangement between Canada and the EC, perhaps including the United States - or indeed other members of the OECD.

Mr. Speaker, 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.