

The close relationship we have developed in private sector commercial contacts also applies to our official relationship between governments. We can only applaud the actions of your government to phase out the import licensing system and reduce over-all tariff levels. On a more personal level, I look forward to conveying the greetings of Prime Minister Mulroney to Prime Minister Lange in Wellington tomorrow. The two prime ministers last met in the Commonwealth heads of government meeting in Nassau only three weeks ago.

We were pleased to welcome Deputy Prime Minister Palmer and Minister of Transport Prebble to Canada in September. A bilateral air agreement signed by Mr. Prebble was the basis for resumption of direct air services. Mr. Palmer and the Canadian Deputy Prime Minister, Mr. Neilsen, signed an agreement for exchanges of public servants which both governments hope will bring needed new ideas to each other. Their visits also signified New Zealand's desire for a closer, more active relationship with Canada; we share that desire.

Tomorrow I will have a chance to see again my New Zealand counterpart, Mr. Mike Moore, and I hope I can entice him to visit Canada. After all, we can be a good market for you, too.

One topic I will be speaking about in my talks in Wellington will be the prospect of a new round of multilateral trade negotiations under the auspices 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 between us. We believe this step could do more than serve the particular interests of Canada and the United States. We believe it could also set a positive example

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