

The Government decided several years ago that it was necessary to have no doubt in European minds on these points. Furthermore, the Canadian case had to be presented with particular persistence and force because the Europeans were understandably preoccupied with the task of internal consolidation. We had to rap firmly but politely on the table to get their attention. We had to make plain, to take only one example, that, with Britain's entry into the EEC, over 40 per cent of our 1971 exports to Britain -- trade valued at more than \$1,300 million -- would face more difficult entry. We wanted to explain that we had no quarrel with the British decision, which was for Britain to take; on the contrary, we rejoiced in the success of the EEC. But the parties to the enlargement had to understand that the burden of adjustment thrown upon Canada was greater than that placed upon any other country outside the enlarged Community. There were other issues as well. We had, above all, to change the attitude -- which for a variety of reasons had been common in the EEC countries -- that the view they took of their relations with the United States would do more or less for their relations with Canada.

In all this, we have had an encouraging measure of success. In June, a mission of senior officials held discussions with all the member countries of the EEC, as well as with Britain, Ireland and the EEC Commission. The mission found that the Europeans recognized the unique impact enlargement of the Community was going to have on Canada and welcomed Canada's constructive, matter-of-fact approach to British entry. The Europeans generally were open to a Canadian proposal that Canada and the EEC should examine the long-term development of relations, including the possibility of concluding a bilateral most-favoured-nation (MFN) agreement between Canada and the enlarged Community. There were useful discussions of what would be involved in bringing up to date the various bilateral trade and economic agreements Canada already had with member countries, to take account both of the enlargement of the Community and of its internal consolidation. The Europeans were assured that the Canadian objective was to reinforce bilateral relations with the member countries of the Community through creating an appropriate framework linking Canada and the EEC as such. The mission emphasized that what Canada had in mind would complement the GATT and other multilateral institutions, not substitute for them. It was also recognized that, since the Community was still evolving, any agreement negotiated in present circumstances would have to be flexible enough to accommodate itself to future changes in the powers of the Commission itself.

It was in part because of careful efforts like this that, when the European summit meeting took place in the autumn, the question of the EEC's relations with countries outside the Community was on the agenda. And because we had worked hard to prepare the ground, the European leaders affirmed in the summit communiqué that they wished "to maintain a constructive dialogue with the U.S.A., Japan and Canada and the other industrialized Community partners, in an outward-looking spirit and the most appropriate form". If the summit had taken place, say, two years ago, I very much doubt that it would have seemed natural to the leaders of the EEC countries to single out Canada in this way along with the United States and Japan.