

WE ARE PREPARED TO DISCUSS WITH THE U.S. WHATEVER CONCERNS IT MAY HAVE. WE EXPECT A SIMILAR OPENNESS ON THEIR SIDE. NO DOUBT, AS THE NEGOTIATIONS PROGRESS, THE U.S. SIDE WILL STATE THAT IT CANNOT MEET CERTAIN CANADIAN DEMANDS; NO DOUBT WE WILL DO THE SAME. THIS IS HOW NEGOTIATIONS WORK.

BUT WE CAN MAKE CERTAIN UNDERSTANDINGS EXPLICIT. WE ARE PREPARED TO DISCUSS WITH THE U.S. WAYS WE CAN STRENGTHEN CULTURAL INDUSTRIES THROUGH TRADE. BUT UNDER NO CIRCUMSTANCES, ARE WE PREPARED TO AGREE TO ANY MEASURES WHICH WEAKEN THOSE CANADIAN INDUSTRIES OR UNDERMINE THEIR CAPACITY TO SERVE OUR CULTURAL NEEDS.

CANADIAN CULTURE IS STRONG AND VIBRANT AND IT WILL GROW AND FLOURISH. BUT I AM ACUTELY CONSCIOUS THAT CANADIAN CULTURE AND THE CANADIAN ECONOMY MUST GROW TOGETHER. OUR GOVERNMENT BELIEVES WE CAN STRENGTHEN OUR CULTURAL IDENTITY WHILE AT THE SAME TIME BUILDING ON OUR ECONOMIC RELATIONSHIP WITH THE U.S. THAT IS THE MODERN REALITY IN CANADA.

LAST YEAR THE TOTAL TRADE BETWEEN OUR TWO COUNTRIES AMOUNTED TO OVER U.S. \$120 BILLION (THAT'S OVER \$150 BILLION CANADIAN), THE LARGEST EXCHANGE BETWEEN ANY TWO NATIONS. TWICE AS GREAT AS AMERICA'S COMMERCE WITH JAPAN, IT IS GREATER THAN YOUR TRADE WITH ALL THE NATIONS OF THE EUROPEAN