

important to the United States, because a large part of what Canada buys from you is in your manufactured goods, a far greater percentage than is purchased by your other trading partners.

We need to put stability into that trading relationship. It is not by design but perhaps by accident that over the years we have grown into the most powerful trading bloc in the world and yet we have no formal bilateral agreement. Our trade is governed, yes, as participants under the GATT, but we do not have a natural set of rules such as governs the trade and encourages trade in the European Economic Community. We do not have a bilateral agreement, such as has been successfully implemented between New Zealand and Australia. We do not have a successful agreement that puts rules and conditions that will stabilize our trade such as is made amongst the Scandinavian countries. We have a trading relationship that is vulnerable right now because we do not have a formal agreement of rules and conditions and how we will deal with trading practices. We are vulnerable now to the protectionist mood that sweeps both of our countries.

I hear a lot in the U.S. about a level playing field. Everybody keeps saying what we need is a level playing field. I've talked to senators and Congressmen who said, I'm a free trader, I'm a fair trader but... the playing field isn't level. Well, I've got to tell you it is. Canada and the U.S. are the fairest traders with each other in the world. You have no partner that trades more fairly than do the people of Canada.