

Mr. President,

It is a great pleasure for me to be with the Armour Heights Rotary on the occasion of your 20th anniversary. You have a wonderful record of accomplishments in charitable work in this city. I can congratulate you on it and wish you continuing success with your projects.

You are also generous hosts, as I know from my own experience. Anniversaries are occasions for reminiscing. While I cannot share all of the Club's collective memories today, there may be some here who will share with me the memory of another occasion just over eleven years ago when I was also your speaker. I hope their memories of that occasion are as pleasant as mine.

In 1961 I spoke about aid to the developing countries. That would still make a good theme. I am proud to have been able since, as Secretary of State for External Affairs, to preside over steady and substantial increases in Canada's aid programmes. Some of the goals which I spoke about eleven years ago -- and which seemed visionary at the time -- are now close to realization. I think Canadians are more firmly committed than ever to the proposition that a growing share of their own growing prosperity should be devoted to programmes of co-operation with the developing countries. This is a commitment I sense particularly in groups like your own: the same spirit which recognizes and accepts responsibility in the local community will recognize and accept responsibility in the world community as well.

I do not intend today, however, to speak to you on a theme where I suspect we are broadly agreed. Instead, I thought I might say something about a subject which has given Canadians more concern lately and which is more controversial, relations between Canada and the United States. For this purpose I shall first review briefly some important recent developments and then go on to comment on them.

First, then, the events themselves. Whether this has been a good year or a bad year for Canadian-American relations is something we can discuss; it has undeniably been a big year. More persistently than any others, economic issues have caught the headlines. Last August 15, came the dramatic announcement of President Nixon's new economic policy. This carried a number of implications for Canada. Some of these are only now coming fully into focus. At the time, you will recall, Canadian interest centred on the American decision to impose a temporary import surcharge, as one of a number of measures designed to deal decisively with the chronic problem of the United States balance of payments. We spent a good deal of the late summer and autumn locked in discussion, both in Canada and abroad, about the wisdom, equity and probable effects of the surcharge. Finally, toward the end of the year, the United States agreed to drop the surcharge as part of a bargain involving the readjustment of the parities of the major international currencies.