SOVEREIGNTY: NOT FOR SALE

anada has basic social, cultural, and regional policies we think of as essential elements of nationhood. They will not be bargained away.

Social Policy

Canada expects to encounter little demand for concessions in the area of social programs. The U.S. and this country spend a similar share of gross domestic product on the basic range of social programs – health, education, pensions, unemployment insurance, social assistance.

To be sure, there are differences in emphasis and programs between the two countries. Canada does more through the agency of government, especially in health care, on which it spends a lower share of GDP, than does the United States.

The U.S. spends a higher share on pensions, less on unemployment insurance.

Over the years, western democracies have come to resemble one another in their social programs. But this has been a natural evolution, not the result of trade negotiations. Social programs are not up for negotiation in the Canada-U.S. talks. Either country can, of course, complain if it feels some aspect of the other's social policy is a hidden export subsidy. However, this is simply not the case with Canada's social programs.

Cultural Integrity

Trade negotiations are a learning process, in which each side tries out the other to see where there is any give. The U.S. may not have understood the significance to Canadians

of cultural sovereignty and believed Canada had something to give in this area. Repeated declarations to the contrary from the highest levels in this country have set the record straight.

This doesn't mean Canadians want to keep American cultural products out of Canada or refuse to negotiate on conditions of cultural trade. On the contrary. Look at Canada's movie and TV screens, its newsstands and bookstores, its record shops: American titles dominate. Cultural trade, only about one per cent of the bilateral total, is heavily in the United States' favour.

Clearly, the aim of Canadian policies is to provide the opportunity for Canadian creative talents to flourish in the cultural industries, and for Canadians to have an opportunity to enjoy them. After all, cultural activities – including popular entertainment – are the vehicle for our self-expression. They help us to shape our identity as a people, to reflect on our place in the world, give us a lift, a laugh, and in our own idiom to express our emotions and our intellects.

With their huge market, American cultural industries can cover their costs at home and realize additional profits in Canada. Canadian companies can recover far less in the Canadian market, one-tenth the size. Unless we aid our broadcasters, filmmakers, magazines, book publishers, sound recording industries and so on to reach Canadian consumers, we might as well shut up cultural shop. We won't do that.

On the contrary, we are taking steps to strengthen our cultural identity through policies such as those on book publishing and film distribution.

