

for Canadian companies, universities, and researchers to enter into joint ventures with European partners participating in the European Commission's \$19-billion Fourth Framework Program for Research and Development. The potential is tremendous; we need more initiatives like this.

The third principle is that what we can accomplish together in the world is becoming more important than what we can accomplish on our own. We are partners with the European Union in the Quad [Trade Ministers of Canada, the EU, Japan and the United States], in the new World Trade Organization, and in other bodies. We have a shared interest — and a shared responsibility — to provide leadership on global issues.

It is true that in recent years Canada's agenda for Europe has not been articulated as clearly as our agenda for the Americas or Asia. Perhaps the problem is existential — the absence of a clearly defined structure or framework to provide a focal point for further trade and investment liberalization. Many of the building blocks are already in place. Canada has had a framework agreement for economic co-operation with the European Union since 1976 — an agreement that has stood the test of time but is perhaps in need of renewal. More recently, as I have noted, we have finalized our co-operative agreement in the field of science and technology, which will greatly increase the potential for transatlantic co-operation and development.

We are working toward agreements on customs co-operation and on mutual recognition of testing and certification of product standards. And we have completed negotiation of an agreement on competition policy that will lay the foundation for active co-operation among our anti-trust authorities.

Can we build upon these initiatives to create a more comprehensive economic and trade partnership? Is it time to give serious consideration to a deeper Canada-EU trade framework, in turn paving the way for a more ambitious EU-North America link in the future?

In an ideal world, trade liberalization would occur multilaterally on the broadest possible range of fronts. But we do not live in a perfect world; and we can hardly expect perfect solutions. If the architecture is kept open, then a deeper arrangement with Europe could serve to revitalize our economic relationship — and even to bridge potentially exclusionary blocs.

If the goal remains further and faster liberalization, then a new economic partnership with Europe could help set in motion an external, competitive dynamic to reduce trade barriers worldwide; to kick-start a new global round.