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cracies of the new world, lands of almost unlimited opportunity and personal freedom, whose people hold in common a range of cultural and ethical values. Yet in vital respects — and this is the crucial point for Canadians — we are very different nations with our own approaches to nation-building and some clearly distinguishable economic interests and social features.

For Canadians, the art of conducting relations with the United States is to co-operate in the development of what is in most ways a fruitful and mutually beneficial relationship while safeguarding Canada's paramount national interests. A vital, economically strong and unified Canada is in the economic and security interests of both countries.

This is the purpose of Canadian government measures to promote the Canadianization of the national economy, including the several steps in this direction which have already been taken, such as the establishment of Petro-Canada and most recently the framing of the National Energy Program.

An irony of the relationship is that the very similarities which exist between Canadians and Americans can make the inevitable problems which arise more difficult to resolve. There is a difficulty sometimes in the United States to grasp that different policy methods are used in Canada, despite the similarities which exist, because our respective experiences and structures are in some other ways different. In order to minimize the friction in the relationship, therefore, a premium must be placed on explaining policy approaches to one another as effectively as possible.

Some observers believe that at the moment Canada and the United States seem to be headed in different philosophical directions. I would rather suggest that in fact the two countries are developing national policies suitable to their own particular circumstances. In the case of Canada, we all believe this to be an entirely healthy and understandable phenomenon which can in no way affect the foundation of goodwill and common interest which form the bedrock of Canada/U.S. relations.

Inevitably, we will have to be prepared to face opposition from some American quarters on some issues. No independence worth having is completely costless. Broadly speaking, however, I am confident that Canada and the United States will continue both to co-operate on questions of primary interest to the two of us and to work together to support peace, security and human dignity abroad.

One issue requiring co-operation between our two countries relates to a principal Canadian foreign policy theme, namely, working to ensure a harmonious natural environment. Since 1970 there have been important developments in this sphere, both positive and negative in character. Modern technological development has had environmental consequences of a magnitude and complexity which were unforeseen ten years ago. Today, phenomena scarcely recognized in 1970, such as acid rain, ozone depletion and the accumulation of carbon dioxide in the atmosphere, have become issues of both domestic and international concern. Hazardous waste disposal and the health effects of new chemicals have acquired increasing international significance. Traditional, although no less significant, concerns such as air and water

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