

It is a great pleasure to be here. And I think the timing is pretty good, too. I can only assume that President Reagan had this occasion in mind yesterday when he notified Congress of the Administration's intention to engage in bilateral trade talks with Canada.

I would also like to add my own respects to yours in tonight's tribute to John Young. I do so with some awe, for his report to the President on industrial competitiveness is, in my view, an unrivalled piece of work. He and his Commission have given focus and clarity to the extremely complex problems that we in North America have been procrastinating about for years.

Notice that I said "North America." Canada, being the best neighbour you'll ever have, has selflessly seen to it that the monkey is not on your back alone. We, too, have been procrastinating. And so we face almost exactly the same problems that John Young identified. An erosion in competitiveness. A reluctance to invest in research and development. A decline in our share of world trade. In 1968, for example, Canada ranked fourth among the world's trading nations, just ahead of Japan. We've now dropped to eighth and Japan exports twice as much as we do.

So it is a privilege for me to join you in paying tribute to John Young. All I have to do is look at his commission's report to know that, in this assembly, I am among kindred spirits and friends.

There should be no surprise in that. Canadians and Americans are kindred spirits and friends — so much so that it's sometimes difficult to tell who's who.

The relationship between our two countries is unique in the world. Canada is your closest partner — and

you are ours — in almost everything either of us does.

We work together in NASA's space program, we work together in NATO and NORAD. Our business practices are similar. You have more money invested in Canada than anywhere else in the world. We have more invested in the States than anywhere else. New York's new World Financial Center, for example, is Canadian-owned. On a per capita basis, our investment in the U.S. averages out to about \$1,000 for every Canadian man, woman and child.

Our close relationships obviously include trade. We do far more business with each other than do any other two countries in the world. The volume of our cross-border trade last year was U.S. \$120 billion — or roughly 1/15th of all world trade.

Rumours to the contrary notwithstanding, Canada is your biggest customer in the world. You sell more to 25 million Canadians than you do to the 280 million Europeans in the Common Market. You sell us twice as much as you do Japan. Indeed, the province of Ontario alone takes more American exports than does Japan.

Not only is Canada your largest market, it's also your fastest growing market. Your exports to us climbed 20% last year, and they're growing again this year.

What all of this means is that we, the only two nations between the Rio Grande and the Arctic, are interdependent. This would be a far different continent were we not.

Trade between us is not a zero-sum activity. We both gain by it. It fuels growth in both our countries. And it provides a great many jobs. In point of fact, the jobs of more than two million Canadians — and of more than two million Americans, as