

Last year the trade in goods and services between our two countries amounted to close to \$150 billion, the largest exchange between any two nations in the world. It is 50 per cent greater than America's commerce with Japan, it is also greater than your trade with all ten nations of the European Common Market combined. The pay cheques of over four million workers living on both sides of our border are directly dependent on our mutual trade.

Obviously, then, it would be a mistake for US Congressmen, or businessmen, or workers, to underestimate the importance of the economic relationship with Canada.

When I speak to you of the mutual advantage to be gained from more open trade between our two countries, I underline the word mutual. And when I speak of the mutual danger of protectionism, again I underline the word mutual. American investment in Canada represents some 80 per cent of all foreign capital in Canada (and 25 per cent of all US investment abroad). Canada is among the largest foreign investors in the USA.

And we are more than economic partners. We have joint tenancy of this great continent and of its environment. We have a joint responsibility to preserve this environment, on land, in our waters, and in the air. Governments, individuals and a host of private and public institutions co-operate across the border in a multitude of endeavours, for the benefit of our two peoples and, in some cases, of mankind.

We are partners in North American air defence systems and allies in the North Atlantic Treaty Organization. That relationship, which offers so much benefit to our peoples and so great an example to the world, cannot thrive in an atmosphere of economic protectionism. For history teaches us that protectionism in one area begets retaliation in another.

Parochial economics and politics on one side lead to narrow nationalism and discrimination on the other side. Protectionism in international economics leads to isolationism in international politics.

I know that President Reagan shares this view, and I echo his words — "protectionism is destructionism". With some 300 protectionist bills currently before the Congress, all who believe in the benefits of a more open world trading system must take a stand.

On both sides of the border, we must confront the forces of isolationism and beggar-thy-neighbourism with a better idea. That better idea is to move forward, not backward; to enhance and improve the biggest bilateral trading relationship in the world; to try to negotiate a new bilateral agreement that will be fully compatible with our mutual obligations under the GATT.

Canada and the United States are good neighbours. Our countries have been inspired, by a common heritage of democratic institutions, by the guarantee of equal justice under law and by a common international purpose — the promotion of peace and the preservation of freedom.

There is inspiration and hope in our future partnership. The achievement of a new economic agreement between two sovereignties on this continent would give our peoples more abundant opportunity to live secure, prosperous and satisfying lives as Canadians and Americans....

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