

WE ALSO HAVE NOT BEEN SPARED BY CHALLENGES IN THE FIELD OF SECURITY, WHERE WE HAVE CONTRIBUTED MUCH TO EACH OTHER'S POLICY THINKING. NATO REMAINS A CORNERSTONE OF OUR FOREIGN POLICIES AND OF OUR BILATERAL RELATIONS. WE CANADIANS ARE ESPECIALLY PLEASED THAT LORD CARRINGTON WILL SHORTLY ASSUME THE HELM OF NATO. HIS VISION AND FORMIDABLE DIPLOMATIC SKILLS WILL DOUBTLESS SERVE THE ALLIANCE WELL AS WE CHART A COURSE FOR THE FUTURE.

THE TASK AHEAD OF US NOW -- BOTH CANADA AND THE U.K. -- IS TO WORK INDIVIDUALLY AND COLLECTIVELY TO BUILD A SOLID FOUNDATION FOR COOPERATION BETWEEN EAST AND WEST, ONE WHICH RECOGNIZES THE VERY GREAT DIFFERENCES WHICH REMAIN BETWEEN THE TWO SIDES BUT WHICH ALSO ACKNOWLEDGES THE SUBSTANTIAL AREAS OF COMMON INTEREST.

CLEARLY, THE AGENDA BEFORE US IS DAUNTING. AT HOME WE BOTH FACE AWESOME CHALLENGES OF OBSOLESCENT INDUSTRIES, UNEMPLOYMENT, BALANCING BUDGETS AND ACHIEVING SUSTAINED NON-INFLATIONARY ECONOMIC GROWTH. ABROAD WE MUST MAINTAIN AN OPEN MULTILATERAL TRADE AND MONETARY SYSTEM. A KEY PRIORITY IS THE MANAGEMENT OF THE INTERNATIONAL DEBT AND INTEREST PAYMENTS OF THE LDCS. INTERDEPENDENCE IMPELS US BOTH TO CONTINUE TO HELP THE DEVELOPING WORLD ATTAIN BETTER LIVING STANDARDS AND MATURE LEVELS OF ECONOMIC DEVELOPMENT.

IN ALL THIS THERE IS MUCH THAT WE CAN DO TOGETHER.

TO UNDERPIN THIS COMMON EFFORT, WE MUST MAINTAIN AND STRENGTHEN THE DYNAMIC COMPONENTS OF OUR OWN BILATERAL RELATIONSHIP. ONE FUNDAMENTAL AND ESSENTIAL CONDITION IS TO KEEP OPEN AND TO INCREASE OUR TWO-WAY EXCHANGES -- IN TERMS OF PEOPLE, STUDENTS, CAPITAL, GOODS AND SERVICES, AND INFORMATION. AND WE SHOULD NOT FORGET TO PROMOTE EXCHANGES IN THE ARTS AND CULTURE. THE VERY OPENNESS AND FRANKNESS THAT MARKS OUR SPECIAL RELATIONSHIP WOULD SEEM TO PRE-EMPT THE NEED FOR NEW INSTITUTIONS. JUST AS FAMILIES GET TOGETHER TO CELEBRATE OR MOURN, OR MARK A SPECIAL OCCASION, WE TOO AS GOVERNMENTS MEET TO MONITOR DEVELOPMENTS AND TAKE STOCK AND REORIENT AS NECESSARY OUR THINKING AND APPROACHES.

THE TAPESTRY OF CANADA'S RELATIONSHIP WITH THE UNITED KINGDOM IS STILL LUMINOUS. IT REFLECTS THE MATURITY AND VITALITY OF THE TIES THAT MAKE IT UNIQUE.