

States have a different significance in our smaller country than in your larger one. What is incidental to you can be central to us; what is entertainment to you can be culture to us. We are acutely conscious that the Canadian economy and the Canadian identity must grow together.

Sovereignty depends upon a strong economy. Canada has become weakened as a national state and sovereign nation because of past profligacy. It takes more money now to pay the interest on the national debt than it does to service all our social programs. Our deficit represents almost 7% of our GNP. We owe \$190 billion and it costs 25 billion dollars a year of our revenues to pay the interest on the debt.

This Government is dedicated to putting our finances back in order. To do this we have made cuts in spending and we are getting a bigger bang for the bucks for which we are responsible. But the best way for us to restore our economic health is through trade. For trade means jobs and opportunity for Canadians.

Last year Canadian-American trade exceeded \$150 billion. This is the largest single trading relationship in the world. American investment in, and trade with, Canada is twice the size of its investment in and trade with Japan and greater than that with the ten nations of the European Community. The trade of this province alone rivals that of China with the United States! Our two countries are each other's largest growing market: in 1984, Canadian exports to the USA rose by 28% while USA exports to Canada rose by 26%. Nearly four million jobs, two million in each country, depend on this trading relationship.

Energy, especially important to Calgarians and Albertans, is a vital link in our community of interests. Canada is the largest foreign supplier of natural gas and electricity and the second biggest source of oil to the USA. Gas and oil pipelines cross the border at many points; and five Canadian provinces have hydro-electric power hookups with American states. The St. Lawrence Seaway and Power Projects and the Columbia River Power project are testimony to our cooperation in the development and operation of our joint resources.

We have achieved this felicitous relationship not through confrontation, but through cooperation. For protectionism is not the answer to the world's economic woes. The