

would be, as Marshall McLuhan once said, to march backwards into the future.

We must concentrate our efforts on securing and improving our economic position in a rapidly changing world economy. If we have ever taken our economic relationship with even our closest friend, ally and neighbour for granted, we must not do it now.

We must not burn our bridges to economic opportunity. The rise of U.S. protectionism makes us acutely aware that we cannot be smug or complacent, that the world economy and our place in it is changing whether we want it to or not.

The Economic Council of Canada predicts a net increase in jobs by 1995 of as much as 376 thousand if a bilateral agreement is reached.

Conversely it predicts a net decrease of 528 thousand jobs by 1995 if no bilateral agreement is reached, assuming the USA expands protectionist measures.

What we must do is learn the lesson of West Germany and Japan. as Peter Drucker recently pointed out in Foreign affairs, these countries have based their economic policies on the world economy, they have systematically tried to anticipate its trends and have exploited its changes as opportunities. Both have made their country's competitive position in the world economy the first priority in their policies. Their focus on the world economy and the priority they give it may be the real "secret" of their success.

Now is the time to recognize the unique opportunity that we have in the world. We can try to reshape our trading relationship with the U.S.

This is the basis of our pursuit of a long-term binding trade treaty with the United States. We have three primary objectives which are worth restating here. They are:

- o to secure stable access to each other's markets,
- o to eliminate remaining tariff and non-tariff barriers; and,
- o to establish better trade rules and a better framework for settling trade disputes.

First, secure and stable access to each other's markets is absolutely essential to the growth of exports, jobs and investments. Business needs a stable and reliable environment in which to prosper. A comprehensive and binding trade treaty with the U.S. would provide traders and investors with the kind of stability and predictability that their activities demand.

The importance of our securing access to our single most important market cannot be overstated. In a recent article,