

The plain and uncomfortable fact is that we all face uncertain times - times when differences between countries tend to be magnified. And because Canada and the United States are energetic nations with a multitude of interests of their own in addition to their many links, hard times pose a special challenge. The nineteen eighties look like a difficult period, but our two countries have faced harder tasks before and overcome them together.

It is partly because we have so much in common that our differences can be so jarring. Some are quite basic. In the United States, you lay heavy stress on the concepts of capitalism, free enterprise, the efficiency of market forces. These are important to us, too, but we are less reluctant to accord a participatory role to government. The Canadian National Railways, a crown corporation, helped to complete the opening of our West and to knit the country together. Air Canada is our largest airline and one of the world's most effective and profitable. Atomic Energy of Canada Limited has developed the unique CANDU nuclear reaction system - one of the world's most advanced and safest.

Our countries have different constitutional structures. In your country, any treaty undertaking by the United States Administration requires ratification by the Senate, but then becomes the law of the land. In Canada, international treaties are concluded by the Government without further reference, but implementation requires subsequent legislation. In recent months we have become pointedly aware of this difference through the fate of the Boundaries and Fisheries Treaties. After several years of difficult negotiation and bargaining, we concluded an agreement with the United States Administration. Today, however, ratification of the treaty has not yet been forthcoming and the Senate continues to insist on re-negotiation.

Canadians also look to their governments to ensure a degree of economic equality - hence the concept of sharing our wealth among the rich and less rich provinces. Through our social programmes we try to achieve a society with a comparatively small gap between its rich and its poor.

The United States has roughly ten times the population of Canada. The United States' Gross National Product is ten times Canada's. Similarly, United States' investment in Canada outstrips Canadian investment in the United States. Twenty per cent of your exports go to Canada; seventy per cent of Canada's exports go to the United States. Hence, your economic strength is part of the Canadian consciousness, and the risk of being overwhelmed is ever present. You need to import those Canadian