

CROSS CANADA CURRENTS

Mulroney-Reagan Summit

United States President Ronald Reagan flew into Ottawa April 5 for a 24-hour visit with Prime Minister Brian Mulroney. This third annual Canada-U.S. summit highlighted the importance of Canada-U.S. relations: the two countries form the largest trading partnership in the world, with two-way trade that totalled \$170 billion (Cdn) in 1986.

In his speech to a joint session of Parliament in Ottawa, President Reagan gave a ringing endorsement to Canada's initiative in seeking a free trade agreement with the U.S.: "I pledge to you now that, for our part, we shall commit ourselves and the resources of our administration to good-faith negotiations that will make this visionary proposal a reality."

The two leaders also discussed the devastating environmental impact of acid rain. For the first time, President Reagan acknowledged that 50 per cent of the acid rain falling on Canada comes from the United States. He promised to consider a proposal for a bilateral accord on acid rain.

The summit also made some progress on Canadian Arctic sovereignty. Prime Minister Mulroney declared that "we own it, lock, stock, and icebergs. And we expect the United States of America to recognize and respect that." President Reagan responded with a promise to inject new energy into long-standing diplomatic efforts to reach a settlement on this issue.

Agricultural Trade "Down Under"

The focus was on agriculture last March when the Minister for International Trade, Pat Carney, visited Australia and New Zealand. In New Zealand, at an informal meeting of 22 trade ministers from developed and developing nations, Ms. Carney called for more responsive agriculture policies that support the farmer, not farming, and urged a freeze on any new import barriers or subsidy program that would distort world prices.

During her visit to Australia, Ms. Carney joined with the Australian Trade Minister, John Dawkins, to announce that Canada will host the next meeting of the Group of 11 Agricultural Fair Traders, an alliance initiated by Australia in 1986 to promote freer trade in agriculture. In May, trade ministers from 14 countries, representing 25 per cent of the world's agriculture products, sat down in Ottawa to prepare a united agriculture policy. Prime Minister Mulroney put this policy before the seven world economic leaders at the Venice Economic Summit in June.

Capitals of the World to Converge in Canada

The Minister of State for External Relations, Monique Landry, recently announced a \$100 000 grant to help Third World delegates attend the world's first international

Prime Minister Brian Mulroney (right) with U.S. President Ronald Reagan in Ottawa for the third annual Canada-U.S. summit.

