

I think, if one looks at the history of Canada-U.S. relations, it will become apparent very readily that the majority of those matters that have tended on occasion to divide us have arisen because there was a kind of "benign neglect", perhaps reflected in a mutual capacity for taking each other for granted, that allowed issues to bubble to the surface when they could have been dealt with very effectively and disposed of had there been the so-called "early-warning system" in effect. And so we are now, I believe it is fair to say, in the kind of climate between our two countries where we can deal with these specific issues in the fashion I have outlined. We also recognize that it is important that these bilateral issues be seen in their own context and not related one to another, so that, if we have a problem in a particular sector, we deal with it rather than allow difficulties related to that particular issue to spill over, and, indeed, to cause difficulty across the whole spectrum of our relations.

What are some of the things that illustrate this new approach? First of all, illustrating the closeness of our association and our ability to react to each promptly is perhaps the decision we were able to make a few months ago, during your most severe and unanticipated cold spell, to provide for additional exports of gas and energy supplies to your country, for no other reason than that that is the appropriate thing for a neighbour to do when his friend's furnace breaks down. Similarly, we have been most appreciative of the manner in which the United States has dealt with the Garrison Diversion project in North Dakota, which could have had a very serious polluting effect in terms of our Province of Manitoba. Here, once again, there was a willingness on the part of the United States to take Canadian concerns into account and to decide upon the pace of that development and the size of it in a manner that, we hope, will meet our requirements and will be to our mutual advantage.

These kinds of relation also help us to dispel some of the misunderstandings that occur in the United States with regard to Canada — for instance, a number of years ago when we introduced our Foreign Investment Review Act. There was clearly a misunderstanding in much of the United States as to what our intentions were and a misinterpretation...that perhaps we no longer welcomed American or foreign investment in Canada. I was advised at lunch that this body held a seminar on that particular subject and I am very appreciative of that fact because, of course, there is nothing (indeed, not a shred of truth) in the suggestion that we are discouraging foreign investment — quite the contrary. In a society that is expanding as rapidly as is Canada, the demands for capital are astronomical, and it is perfectly obvious that we must look outside our borders for a substantial portion of it. When we look outside our borders, clearly we look first of all to the United States.

Behind the Foreign Investment Review Act was a recognition, and an awareness that I am sure you in the Southeastern United States will understand — and that was a desire to have a greater degree of control over how our development was going to take place, and to ensure that our own people had a reasonable share of the benefits along with the investor. Basically, the Foreign Investment Review Act says simply that investment is welcome as long as it is of significant benefit to Canada. That I do not believe is an unreasonable position and, as the United States becomes more aware of what our motivation is, I am discovering that there is less and less mis-