

Virtually since its inception the Canadian economy has been built on trade. The record of history is very clear. Our well-being as a nation depends on trade; strong trade performance provides more and better jobs. That, in turn, provides the stronger economy which enhances our capacity to invest in the social and cultural institutions which buttress our Canadian identity.

And that brings me to the final key point I want to make.

What the Government of Canada has done so far is to invite the Americans to begin with us negotiations about the trade between the two countries. Talks involve no risks. If negotiations proceed, we will see what we will see. We believe we can strike a deal that would be good for Canada. But we have no illusions. The Americans are hard bargainers. Horse trading is a tradition in both our countries and the essence of horse trading is that you close the deal only if you like it. If we cannot strike a deal that would benefit all of Canada, we will strike no deal at all.

So there may be no negotiations with the United States at all; their Congress may refuse even to consider arrangements which would limit their power to threaten Canada by protectionist bills. If a negotiation begins, it may come to nothing because Washington may demand a price which this government is not prepared to pay.