

It is a pleasure and an honour for me to have this opportunity to address this, the first regular session, of the New England-Canada Business Council.

As premier of Nova Scotia I had many opportunities to travel to the New England states and meet New Englanders and I can personally attest to the warm reception Canadians receive when they travel to this area of the United States. My new role in the federal government as Minister of State for International Trade, carries with it the responsibility, and a pleasant one at that, to visit many regions of the world and address numerous groups. I can truthfully say that I feel a considerable degree of pride that one of my first official visits outside of Canada is to Boston and New England.

The flow of tourists between New England and Canada, particularly our eastern provinces, dramatizes the relationship. New Englanders can often be seen in the streets of Montreal or Quebec City or driving through Nova Scotia and the other maritime provinces; and Canadians by the score flock to the ski hills of Vermont or the beaches of Maine and Massachusetts. Everywhere they go, tourists from both regions marvel at the similarities which can be found in living habits, interests and indeed their ancestry.

Our bilateral trade adds yet another dimension to this shared relationship. Two-thirds of Canada's total exports are destined for the United States and of that amount Canadian \$4.2 billion, or 7.8% was exported in 1981 to New England. The New England states exported approximately Cdn. \$3.2 billion or roughly 6% of total U.S. exports to Canada. The U.S. Department of Commerce estimates that each billion dollars of U.S. exports accounts for 30,000 jobs. In other words, 96,000 jobs in New England depended on the trade with Canada and an equally important number in Canada depended on trade with New England.

Trade with this region covered the full gamut of products from lumber, newsprint and fish to aircraft engines, sophisticated telecommunications, and transportation equipment, and reflects much of the total trade which took place between our two countries. While Canada held a slight merchandise trade surplus last year, the U.S. enjoyed a slightly larger surplus in the non-merchandise account.

We in Canada are fully cognizant of the importance of trade to us as a nation. Exports account for one-third of our total GNP and it is estimated that 20% of our total work force, or 2 million people, are directly involved in the production of goods for export. As I have mentioned, two-thirds of that export trade is with the United States.

The realization, of the importance we have as markets for one another is now becoming better known among