

casting, records and films. These are vulnerable in any small country that borders on a large one, and we take -- and will continue to take -- special pains to preserve them.

In this regard, the distribution of Canadian feature films is becoming something of an issue in Canada. The problem is that we do not have our own distribution system. Hollywood treats us as part of one North American market. For commercial reasons, the Hollywood distributors want films that appeal to the market as a whole, which is predominantly American. As a result, it has been very hard for Canadian films to get shown in our own country. We are looking at ways to give our film makers a little better chance at the box office.

It is my firm opinion that Americans who understand Canada -- including American trade representatives -- understand and appreciate our concerns about our cultural sovereignty, and I expect their understanding will be reflected at the negotiating table.

So Canada is ready to start talking whenever you are. And in the meantime, the business between us will go on.

Canada and California can grow and prosper together. In the past decade many of the major weapons systems purchased by Canada have come from prime contractors in Southern California. These include the P-3 long range surveillance aircraft from Lockheed, the F-18 advanced fighter from McDonnell-Douglas and component parts for our new frigate program.

These purchases have played an important role in both our countries. They have helped us develop a sophisticated defence industry in Canada.

Our industry, in turn, has been able to help the U.S. with a wide variety of equipment. The best known is the Canadarm on the NASA space shuttle, but we've developed other toys, as well, such as component parts of tracking satellites and many other gadgets that are playing a role in the reach into space.

Today, indeed as I speak, the largest trading mission to leave Canada for many years, representing 85 companies from across our nation, is in Los Angeles, looking for business. We hope, for example, to get a piece of the contract for the C-7 advanced cargo aircraft. We want to build on the cooperation that has grown in the defence sector between Southern California and Canada.

A month from now our Consul General, Joan Winser, will be hosting a seminar on how to invest in Canada. And I would like to invite you all to come up to Toronto in March for a couple of days to participate in a conference on the investment opportunities. I have persuaded a lot of the big names in the Canadian business community to come and tell you what they are doing.

We are all well aware that we live in a tough and competitive world. A world growing more competitive by the day. A world in which the race is to the swift. For both our countries, the challenge is to be competitive, to expand rather than contract, to be creative rather than rigid, and to look outward rather than in.

Americans and Canadians have an incredible capacity to create prosperity. Either of us can do it alone if we have to. But we will get much further much faster by working together. Let's do it.