

*Government
in search
of partnership
with business*

However, these traditional approaches to improving market access and promoting exports have their limitations in the world of the Seventies and in the Canada-EC context. Something more is needed if we are to realize the full potential for developing our relations with the Community. The sectoral approach may take time to produce results. It will be assessed carefully and, if necessary, improved, or additional or alternative means may be sought.

Now, these various methods are not instant-miracle schemes. And, under our economic system, they are no substitutes for what private enterprise can do. But they can help. They can overcome, for instance, the obstacle that distance between Canada and Europe may have created. It is possible also that such a technique may be of special help to medium and small undertakings that cannot afford research units or the expense of sending scouts on long journeys abroad. Accordingly — and this view is fully shared by our European partners — we look forward to a partnership with private business in exploring ways to increase their return from two-way trade and investment with Europe. We should be glad to have our doors beaten down by private industries enquiring what is in it for them, and giving their propositions for promising areas. I can assure you that we are prepared to facilitate the route whenever we can.

Again, I should think that having a commitment on the part of the EC to join us in mobilizing official resources in an effort to expand trade and investment, in a decision to use, if necessary, this or traditional or new schemes to reach our objectives, would be an asset, a gain in our need to expand our trade, to promote investment, to expand our economic opportunities, facilitate contacts in an atmosphere of co-operation with pledged intention on the part of the two governmental entities to help and to see how difficulties could be overcome should they arise.

Public sector

So much for the private sector. Particularly in the case of Canada, where the state has hitherto been a very active agent, there is also a whole range of prospects to be explored in the public sector. The Community needs raw materials, particularly energy resources; it has capital and know-how and a large market. There are here, in defence production and in other areas, important possibilities for mutually-advantageous deals. I know that this example is hypothetical, but, if a deal

with Lockheed had not been possible for the purchase of patrol-planes and the aircraft industry in Europe had been in a position to provide the highly-sophisticated equipment we required, we should have been able to negotiate an important agreement with Community industries. Already we are contracting in Germany for a substantial amount to provide modern tanks for our NATO forces. The contractual link does not deliver such agreements automatically and immediately. But all the elements are in place. The contract with the EC says, in effect, that, in this promising area as in others, the two sides will do their utmost to achieve results. This too is worth while, and would by itself also have fully justified the negotiations.

But this is not the whole story. By implication, the agreement commits the Community to co-operate with Canada in fields that may have a bearing on their bilateral relations. I shall give three examples.

Canada and the Community have substantial interests in the Caribbean and in the Mediterranean areas. They both have, there as elsewhere, continuing assistance schemes. It is clear that the two sides can usefully compare notes on their programs and seek opportunities for trilateral co-operation. This may be the occasion for profitable joint EC-Canada operations.

The same prospects for co-operation between Canada and the Community arise in the framework of regional or multinational institutions. The issues that are being debated there and the rules that are adopted have a bearing on relations between Canada and the Communities. Our agreement helps us in terms of consultation and co-operation with the EC in regard to these matters. Arrangements for liaison, for regular contacts, will be of direct and substantial advantage to both parties and will help in achieving the specific purposes of the contractual link. That we and the EC should be committed to working together in the OECD, in the CIEC, in the UN and its Specialized Agencies, in the myriad fields that relate to our joint objectives, is again a plus, a worthwhile practical step. It cannot be quantified, yet its importance is an aspect of the significance of the problems themselves and an extension of the bilateral commitment to expand relations into and within the appropriate jurisdictions where relevant decisions can be taken. The agreement follows the two sides whenever they discuss matters that will have a bearing on their plan to expand their relations.