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STATEMENT DISCOURS

SECRETARY
OF STATE
FOR EXTERNAL
AFFAIRS.

SECRÉTAIRE
D'ÉTAT AUX
AFFAIRES
EXTÉRIEURES.

NOTES FOR A SPEECH TO BE
GIVEN BY THE SECRETARY OF
STATE FOR EXTERNAL AFFAIRS,
THE HONOURABLE DON JAMIESON,
AT THE OPENING OF THE
SECOND MEETING OF THE
CANADA-EC JOINT CO-OPERATION
COMMITTEE, OTTAWA,
MARCH 8, 1978

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Mr. President,

Two of the fundamental features of our contemporary world are interdependence and the impact of technology. Technology has shown us how small and how fragile is this planet of ours. Similarly, our dependence on each other has been dramatically demonstrated on numerous occasions. The security and the prosperity of nations is intricately interwoven. Major economic shocks in one part of the world impact upon all of us. To manage the problems and challenges of interdependence and advance our mutual interests and well-being, international cooperative endeavours are essential. Because of the place of the Community and Canada among the industrially advanced of the world - we are second and sixth economic entities in the world with respect to gross production - we share an overriding interest in the health of the global economy. It is thus essential that our efforts in the leading economic councils of the world reinforce the greater prosperity of the international community and point the way towards solutions to the economic problems to which none of us are immune. To do less would be to risk the well-being of us all, given the present difficult world economic climate.

But our multilateral efforts should not obscure the importance and opportunities which our efforts in bilateral cooperation promise. We are here today to continue these efforts and to give them further impetus.

Economics alone do not explain the strong desire of Canadians to retain and strengthen our ties with your Community. The depth and range of our historic bonds are well-known. This sense of shared experience and spirit gives rise to a special feeling of affinity between Canada and the Community. As bystanders, we have watched attentively the construction of Europe. From its simple beginnings in the form of commercial arrangements among a few, it has evolved into the Community of Nine with its own institutions, its common policies and its prospects of both further enlargement and greater unity.

This special sense of affinity and our mutual desire that our relationship should take account of the evolution of the Community and the shared challenges of the 1970's led logically I suggest to the undertakings we entered into in July 1976 to deepen and diversify our economic relationship, undertakings which were reaffirmed at the first session of this Committee in December 1976.

Aujourd'hui, nous tâchons pour la première fois de dresser le bilan officiel des résultats obtenus depuis et de déterminer dans quelle direction orienter nos efforts pour l'année à venir. Il y a seize mois, lors de la première réunion de notre Comité, votre prédécesseur et moi avons tracé la voie où devait s'engager notre quête de nouveaux modes de coopération à différents niveaux dans des domaines en grande partie inexplorés. Les magnifiques occasions qu'offre ce champ si vaste, ce n'est qu'au prix d'efforts soutenus que nous saurons en tirer profit.

Our first balance sheet is modest but positive. Nevertheless, much as I did just over a year ago, I want to stress that at this stage, whether auditing the past or planning the future, we must focus our efforts on the most realistic areas where we can, in conjunction with the business community, pin-point and then exploit new elements of cooperation. We must share knowledge about policies, development strategies, research programmes, etc., so that we create a more conducive climate for entrepreneurs. Joint ventures, licensing arrangements, tripartite cooperation, shared research and coordinated marketing - these are the tangible and dynamic areas where we can promote initiatives by the private sector.

Our contribution must be as catalysts in the creation of a climate propitious to successful and imaginative undertakings in such areas.

In this realm, the major development in 1977 from the Canadian point of view was the series of visits of our businessmen to the Community's Headquarters in Brussels. In March, members of the Minister of Industry Trade and Commerce's Advisory Board met with you and your colleagues to explore how the Canadian private sector could best cooperate with its community counterpart; and one outcome was a second rather different mission to Brussels in November, headed by my colleague the Minister of Industry Trade and Commerce, involving 150 Canadians from across the country representing a wide range of economic sectors. These and other visits during the year have provided us with many practical recommendations on which we shall draw in future.

Less visible but in rapid succession, new forms of cooperation have been explored in fields as diverse as non-ferrous metals, aerospace, forest products, nuclear equipment, construction, and information equipment. But there is sometimes confusion about what industrial co-operation means. With industry - and on your side, with member states, and on ours, with provincial governments -

we have jointly begun to examine the nature of industrial organization in promising areas of interest to both of us. In so doing, we are not substituting for conventional promotional efforts or assistance already provided by governments within the Community and in Canada. Instead, we seek to identify specialized forms of cooperation of a longer-term character such as joint ventures and the like, in which government involvement can play a stimulative role, bringing together marketing, engineering and design skills from both sides with a view to innovation in products and services even on a world scale. This mating of interests and capabilities within the private sector and the coordination of government activity within and between our administrations should have a growing multiplier effect.

In the year ahead, I hope that progress will be possible on our recent proposal to you for possible cooperation in the minerals and metals area. The proposal prejudices nothing but portends much. It assumes that we can reconcile Canada's interest in the upgrading of its raw material exports and the Community's concern for secure and economic supplies of the materials it imports

in a more complex kind of cooperation I have felt would eventually be possible. In 1978 too, we should agree upon some facility to assist business people in the Community and in Canada to overcome specific impediments encountered in doing business in the other's territory. Our recent proposal to this end was one direct outcome of the visits of Canadian businessmen to Brussels last year and we hope you will respond favourably to it. We need to define clearly the environment for business. The businessman must clearly perceive his prospects: he will not waste his effort if his case is hopeless.

Finally in 1978, we expect to complete a trade flow study which we hope will contribute to a greater awareness of the existing state and prospects for the development of our bilateral trade relations. We should also continue to promote exchanges in areas of special priority, for example on science and technology as you have lately proposed.

These are some of the specific priorities to which I believe we must address ourselves in 1978.

To return to the broader scene to which I referred earlier, we are pleased that recently we were

able to conclude a nuclear safeguards agreement with the Community which takes into account your very real interests while at the same time conforming with our keenly felt commitment to non-proliferation. Our participation in the international nuclear fuel cycle evaluation programme should lead us toward generally acceptable guarantees that greater dependence on nuclear energy generated by more advanced processes will not lead to greater insecurity brought on by nuclear proliferation.

There is not time to review in detail some of the largest international economic issues, such as the North-South dialogue and the multilateral trade negotiations, which we face. But we do ask that you look positively at the kind of outcome Canada must have from the MTN in the form of access to your markets and others if there is to be a mutual balance of advantage. Also, as major traders it seems essential to me that we should promote together our interest in preserving the integrity of the present world trading system. This means ensuring that the trade rules are set fairly, that there is respect for both the rights and obligations of GATT members, and that these shall not be overridden solely because of currently existing difficulties.

Mr. President, we share common interests, both past, present and future. Together we can provide a dynamic model of cooperation to the international community. Our efforts and especially those of the private sector are crucial to the success of our joint endeavours. It is a task which must be pursued diligently. In adopting the report before this committee today, I therefore wish to urge that we intensify our cooperative efforts both in our own interests and those of the international community at large. Thank you.