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NOTES FOR AN ADDRESS BY

THE RIGHT HONOURABLE JOE CLARK,

SECRETARY OF STATE FOR EXTERNAL AFFAIRS,

TO THE SURREY CHAMBER OF COMMERCE

WHALLEY, B.C.

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Secretary of State for External Affairs | Secrétaire d'État aux Affaires extérieures

Canada

British Columbians, more than most Canadians, have always understood the advantages of free trade with the United States.

A study by the Canada West Foundation of the Free Trade Agreement concludes that the British Columbia economy will gain significantly. And the Economic Council of Canada estimates that free trade will give British Columbia an extra three-point-six per cent increase in economic growth compared to a national average of three per cent.

Let's consider for a moment what we have accomplished with the Free Trade Agreement;

- over ten years it will eliminate all tariffs on bilateral trade between our two countries;

- it will largely abolish non-tariff barriers to trade on technical grounds such as health standards;

- for the first time in any international trade agreement anywhere it provides rules on investment and trade in services; and

- it introduces a fairer, faster and binding way to settle trade disputes.

All this has been done in complete accordance with our obligations under the General Agreement on Tariffs and Trade -- GATT -- which sets international trading rules. In fact, the Agreement builds on the GATT rules, and sets a model for trading rules the rest of the world can follow.

It follows the course of successive Canadian governments since the 1930s in attempting to liberalize international trade for, as a nation of merely 25 million strung out along the northern half of this continent, we know we must trade to prosper and grow.

The British Columbia economy is undergoing a rapid diversification from one based on primary resources toward manufacturing, trade services and new technology. In both the primary resource sectors and the new directions of British Columbia, free trade will enhance new trading opportunities under predictable and certain rules.

Of special interest here are the new rules for trade in services, the fastest growing sector of the B.C. economy. It gives, for example, the 10,000 engineers and 6,000 management consultants working in the province, the opportunity to work on projects or contracts in the United States without the immigration hassles they now encounter. It will allow Canadian companies close to unfettered access to sell and service their product across the border.

Now, when you build that better mousetrap, you can go to San Diego or Seattle to sell it, return to set it up, and even send your technician to fix it if it breaks.

The Free Trade Agreement brings more certainty and increased access to the American market for B.C.'s primary resources. The Free Trade Agreement removes border barriers for the export of crude oil, natural gas and hydro-electricity. And it specifically provides for continued negotiations to gain access for B.C. electricity in the California market. It provides a fairer method of resolving disputes, so we won't have a repeat of the problems of the softwood tariff.

The Free Trade Agreement will lower prices and increase job opportunities for all British Columbians. It will give you the opportunity to be as good as you can be.

Let me speak as a Western Canadian. One other major change that we can achieve with this national Progressive Conservative Government is to take advantage of the opportunity for Western Canada to become a full and equal partner in governing Canada. That involves changing the way the country looks at the West, and changing the way the West looks at Canada.

You can take two views in politics. One is to throw the rascals out, and their policies with them. That has generally been the guilding purpose of national voters in Western Canada. We voted against FIRA, against the National Energy Program, against freight rates, against tariffs. We were usually in Opposition, and we acted that way, and came gradually to have a negative view of politics and, worse, a sense of grievance about the country, and a suspicion of its institutions. Our politics were defined by what we were against.

The other approach to politics is to use the system positively, to achieve your own goals. Other regions have done that historically; so in this age of special interest politics, have groups with a particular goal - environmentalists, activists on behalf of equality for women, advocates of multiculturalism. Often, these goals have been laudable; usually the regions which use the system constructively have legitimate interests to advance. The distinction is not in the quality of goals - the distinction is between pursuing them positively and pursuing them negatively.

For a long time, western Canada may have felt we had no choice. The system was weighted against us. From the Boards of Banks, to the benign prejudice of the Public Service, to the simple arithmetic of the way power and people were distributed across this vast country. And we made the most of our grievances, teething our children on the evils of the tariff and the freight rate; sending CCF and Social Credit and other third parties to Parliament, giving us irrelevance in the name of protest; and, when we had a little power, threatening to "let eastern bastards freeze in the dark." Those are not the characteristics of people serious about reform. That was the frustrated anger of the outsider. And while it made some differences at the margins - while it attracted attention of a kind - it confirmed our image as outsiders, including the way we saw ourselves.

We fought back, often successfully. We forced a change in the Liberal Constitutional package; we ended the National Energy Program. Those campaigns brought many of us together, but they were alliances to stop things, to turn back threats to our resources and our rights. Historically, as a region that thought like a minority, we have looked to national politics more to protect ourselves than to assert ourselves. I think that defensive era is over for Western Canada, and that we now have the opportunity to define this nation as we would like to see it. Our view will not always prevail. We would diminish this extraordinary country if one vision alone could define it. Indeed, our grievance has been that earlier definitions of Canada have left us out. The threat instead is that we will become so blinded by old grievances that we do not see the opportunity to shape this country in our own image. And if we do not see it, we will not seize it.

There are several reasons that opportunity is so striking today. One is that the population and power are shifting to western Canada. And with people has come power; the new Parliament will have thirteen more seats and nine of those are in British Columbia and Alberta. There has been a dramatic shift west of corporate power. Calgary is now third, just behind Montreal, as the home base of major Canadian companies. Energy and aviation and construction and financial decisions are being taken regularly in western Canada that affect the whole country, the whole world.

A second source of that western opportunity is international, in the developing trends of trade and politics. The Free Trade Agreement with the United States bring benefits to the whole of Canada, but it is particularly helpful to the young industries and the entrepreneurial spirit of the West. And beyond the United States, the greatest economic opportunities of the future are in Asia, across our Western Ocean. Sixty per cent of the world's population lives in Asia now;

in the early years of the next century it will be seventy per cent. That means that when Canadian children now in school go on to post-secondary education, two out of every three citizens of the world will live in Asia. Those economies are innovative, aggressive, looking for partners across the Pacific. For the last ten years, Canada has had more immigration across the Pacific than across the Atlantic. We do more trade across the Pacific than across the Atlantic. That too brings benefits to all of Canada, but proportionately the greatest opportunities from Pacific trade reside in Western Canada.

And a third reason for the new era of opportunity in Western Canada is that, for the last four years, Brian Mulroney's government has been steadily removing obstacles to growth in this region. The NEP is gone. So is the PGRT. So is FIRA. Privatization has begun, of Teleglobe, Canadair, Eldorado Nuclear, De Havilland, and now Air Canada. The Freedom to Move legislation has ended historic discrimination in freight rates. Michael Wilson has reduced the deficit in four budgets consecutively, and followed economic policies that produce consistently one of the best growth rates among the OECD countries. Those are not ends in themselves. Those are means to provide Canadians with the opportunity to excel, and they bring a special boost to Western Canada, because we had so many unusual obstacles to overcome.

So circumstances provide an unusual opportunity for Western Canada to put our stamp on what Canada becomes. Instead of fighting a rear guard action to defend our regional interests, we have the chance to exert real and enduring national leadership. But that requires a political choice. Do we lift our horizons to the whole country, and what it can become, or do we refine our old habit of regional grievance? Do we act as insiders trying to shape national institutions, or do we act as outsiders, treating national goals as inherently hostile to our own?

My own answer is clear. I have always believed that the best way to solve regional grievances is by influencing national institutions. Even when those institutions governed against us, I thought it better to stand at the centre and fight. And now, when we have proven that national institutions can advance our energy and trade and constitutional and agricultural interests, we should focus our ingenuity and our leadership on shaping the whole country.

That, after all, is what Ontario did, during the decades when it defined our country. That is what Quebec has done, consciously, confidently, considering separatism and rejecting it, opting instead to act as a full partner within Canada. When Western Canada was on the defensive, we sometimes took those assertions by Ontario and Quebec as a threat. Now, as opportunities open for us, as we become more confident and more mature, we can apply their experience, in our own way.

Nations evolve. Their circumstances change. Their aspirations change. The locus of leadership shifts. Historically, in North America, that shift has been westward - in Canada, from Montreal to Toronto, and now gradually, to Alberta and Vancouver. As this nation grows, other centres retain their strength, but share their power, and new opportunities arise for a region like ours. This is our time, if we seize it.