



# Statements and Speeches

---

No. 74/12

## CANADA AND THE EUROPEAN ECONOMIC COMMUNITY

A report to the House of Commons on October 28, 1974, by the Prime Minister, the Right Honourable Pierre Elliott Trudeau.

I wish to take this opportunity to report to the House on my trip last week to Western Europe. In doing so, I am very pleased to be able to say that, in both Paris and Brussels, I found evidence of considerable warmth towards Canada, considerable interest in Canadian attitudes, and considerable desire to seek a convergence of interests. I can assure this House that in those places and within the international organizations sited there, the reputation of Canada is high. I can assure the House equally that there exists within the Governments of France, Belgium and Luxembourg a genuine and wholesome appreciation of the reality of Canada.

It goes without saying that the discussions in Paris with President Giscard d'Estaing and with Prime Minister Chirac and other ministers took place against a background of deep historical bonds and a shared culture of considerable richness. Of equal importance, however, they took place in an environment that acknowledged the distinctiveness of the Canadian entity and the modernity of Canadian accomplishments. There was evident in those meetings a will to deal practically with issues -- a desire to co-operate rather than compete, to participate rather than withdraw, to consult rather than assume.

We agreed while in Paris to launch two bilateral working groups, each with an objective of identifying areas of fruitful co-operation, in order to increase and diversify our volume of trade. Each is to conclude its work in time to report to the Canada-France Joint Economic Committee at its next meeting, to be held in Ottawa in the first half of next year. One working group will concentrate on examining, without advance commitment, technological and trade-investment possibilities with respect to petroleum, gas, coal and nuclear fuels, taking into account matters of interest to both sides. The other group will examine the rather broader area of trade potential in industrial sectors and, in the first instance, would concentrate on the transportation industry, dealing with French interests in railways and in helicopters and with Canadian interests in STOL aircraft and in all-terrain vehicles.

An indication of the importance attached to these decisions was the agreement that the next Joint Economic Committee meeting take place

-- for the first time -- at the ministerial level.

Finally, it was recognized that the ultimate success of the work to be undertaken rested largely with private enterprise and that special efforts should be made to bring together French and Canadian businessmen in the coming months. In this connection, I have asked the Minister of Industry, Trade and Commerce to lead an official trade mission of Canadian businessmen to France in 1975.

In Brussels, where I profited from formal discussions with Prime Minister Tindemans and his Cabinet colleagues, as well as with Prime Minister Thorn of Luxembourg, the same intensity of purpose was manifest -- to build on the warm relations now existing with Canada, to intensify the contacts and exchanges now pursued, to support Canadian initiatives with the European Community, to co-operate in multilateral sectors.

In Brussels, too, as in Paris earlier in the week, there was broad agreement, not simply on the identification of the major issues of global proportions but also on the postures that must be adopted with respect to them. We discussed, and agreed, that the dangers of nuclear proliferation demanded the design and implementation of more thorough and effective safeguards. We also agreed that the critical elements of the present state of the world economy -- inflation, slow growth, balance-of-payments deficits, recycling, trade negotiations -- demanded liberal and statesmanlike attitudes as distinct from cautious and protectionist ones. In this latter respect, the Minister of Finance and I have now sought and received the views and understanding of no fewer than eight prime ministers and presidents in the last six weeks. We shall continue our efforts in weeks to come.

Western Europe is, of course, much more than the geographical location of several nation states. It is, as well, the site of a number of international organizations: in Paris, UNESCO and the OECD; in Brussels, NATO; and others elsewhere. It is something else still; it is an evolving conception, a process, an idea to which dedicated men, in spite of formidable obstacles, are bending their efforts through the growing and ever-maturing European Community. This Europe is not the sum of the national parts; it exists of them and for them, yet it exists in addition to them. It is not enough, Jean Monnet was fond of saying, to add together the several sovereignties; men had to create the new Europe. They are now engaged slowly, sometimes painfully, in that creative process. This Europe, this entity of the future, is organic in nature. As yet, its potential size and strength and attitudes can

only be conjectured. But one fails at one's peril to recognize the sense of destiny which fuels this evolution.

Our Government recognizes that emerging fact and we applaud it. We applauded last week in Brussels, just as we applauded two years ago on the occasion of the entry into the Community of Britain, Ireland and Denmark. And these expressions of understanding have coloured the way in which our current approach to the European Community has been received. That initiative is no less and no more than to seek ways of engaging the Community in a dynamic, co-operative enterprise.

We wish to add a new, yet parallel dimension to the expanding links we are already building with our partners among the nine member states -- a relationship that will grow as the Community itself moves from infancy through adolescence to full maturity, a relationship in which Canada's interests and its singular identity are recognized and reflected in decisions taken, a relationship in which consultation and reciprocal advice are accepted, a relationship of mutual respect, of give and take.

There is a degree of novelty to this exercise. The Community, understandably, is as yet far from certain of the shape it will assume, the jurisdiction it will occupy, or the powers it will possess in years to come. Nor is it for Canada to say. This is a European exercise. Yet one thing is certain. It is that this new Europe -- which already accounts for 20 per cent of world trade -- will be an increasingly formidable actor on the world stage -- in commerce, in science, in economic and financial activity, in technology, and more. That being the case, it would be irresponsible for a Canadian Government not to seek a distinctive relationship with it. Without question, such an exercise could be conducted along more familiar channels were we to wait a few years, as most other countries have apparently chosen to do. But that would ignore the spirit of creativity that now permeates the Community and to which we seek to contribute. Comfort and familiarity are not our criteria; benefit to Canada is.

This desire, this technique, this goal, are shared by the European Commission. Our discussions with President Ortoli, with Vice-President Soames and with other Commissioners left no doubt about this. There was a significant meeting of minds both on the conception of this new relationship and on the initial steps to set the process in motion. It is bound to be a lengthy process, but we must begin. As a result of my talks in Brussels, it was agreed that a new process would be initiated involving concrete steps to strengthen the links between Canada and the European Community.

---

The parties agreed to begin exploratory talks in the near future on the nature and scope of negotiations intended to define the form and content of the relationship between them.

For this purpose, Canadian and Community officials have been instructed to schedule meetings without delay. In addition, the president of the Commission has agreed to visit Ottawa at an early date. I am also pleased that a full delegation office will be opened in Ottawa in 1975, of the same nature as those already operating in Washington and Tokyo.

I invite all Honourable Members to share in this process. Happily, an increased opportunity to do so will soon exist as a result of a further agreement reached last week. While in Paris, I was able to announce, with the approval of the French Government, that the Canadian Government would open a consulate general in Strasbourg. This office will permit a Canadian presence to be extended into an important region of France for the benefit of our commercial, cultural, information and immigration programs and for the extension of services to Canadian tourists and businessmen. It will also support an enhancement of present links between the Parliament of Canada and the Parliament of Europe, and with the Council of Europe. As Honourable Members are aware, the European Parliament is situated in Strasbourg, and is expected to perform an increasingly important role in the new European Community. I place great importance on such links and on the constructive contribution offered by Canadian Parliamentarians. Again and again, in Europe, I was told of the respect and the high reputation that delegations from this Parliament have earned through their hard work when abroad. It was my good fortune to be in Paris while one such delegation was present and note the great distinction with which it did its work.

I have already mentioned the presence in Paris and Brussels of several international bodies of considerable importance. I engaged in discussions with the principal officers of two of them -- Secretary-General Van Lennep of the Organization for Economic Co-operation and Development and Secretary-General Luns of the North Atlantic Treaty Organization -- and gained from them assessments of the international situation as viewed from their special perspectives, as well as generous acknowledgements of the important contribution made by Canada to each. This opportunity extended, in the case of NATO, to a full working session with the North Atlantic Council in Brussels. I was able there to explore with the permanent representatives of the member countries the conceptions enshrined in the Ottawa Declaration of Atlantic Principles and to provide assurance that Canadian commitment to those principles remained

---

unimpaired. I was able as well to express Canada's distress that two NATO allies should be engaged in a dispute with respect to Cyprus, and Canada's interest in seeing an early and peaceful resolution of the conflict on that island, a conflict which has taken two Canadian lives and endangered many others.

\* \* \* \*

---

S/C