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SPEECH BY THE  
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DEPUTY PRIME MINISTER AND  
SECRETARY OF STATE FOR  
EXTERNAL AFFAIRS TO THE  
CONFERENCE OF CANADIAN AND  
GERMAN BUSINESSMEN AND  
BANKERS

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NIAGARA-ON-THE-LAKE

First of all, let me say how pleased I am to be here with you tonight. I should first thank the co-chairmen of this conference, Mr. Mulholland and Dr. Rodenstock, for their invitation and congratulate them for having brought together such an impressive group of people.

I know all of you have weighty responsibilities and busy schedules. Your presence here gives the best possible expression of your interest in the strengthening of Canada/Germany business relations.

This conference finds its origin in discussions between Prime Minister Trudeau and then Chancellor Helmut Schmidt in 1981 and 1982, discussions which were subsequently pursued with Chancellor Kohl. Our leaders drew considerable satisfaction from the general state of our bilateral relations and the liveliness of our cooperation in international forums. They recognized however that there was still much scope for galvanizing our trade and economic relations. Equally important was their belief that, while governments can influence the environment in which economic and trade cooperation develops, the actual leading role belongs to the private sector.

It was this recognition which gave rise to the idea of this Conference of Businessmen and Bankers. Your objectives are to expand mutual horizons, to encourage investment and joint-ventures, to exchange information on opportunities as well as constraints and to enhance the value and potential of on-going business links.

The moment you have chosen for this conference could not have been more propitious. Both our countries are emerging from a recession that has strained the economies of all industrialized countries. All of us face in one way or another the challenge of structural adjustment. In mending our economies we must not raise our national fences to impede the flow of trade and investment. Above all, we must develop all possibilities for economic and commercial cooperation.

It is the Greek philosopher Heraclitus who said that nothing endures but change. Nobody in this audience needs to be reminded that this axiom also applies to politics. Less than 10 days ago, the Honourable John Turner was elected the new leader of the Liberal party and will shortly be formally sworn in as Canada's Prime Minister. Certain basic things have

not and will not change however: Canada's economy is ever more dependent on foreign trade, representing almost one third of its GNP; Canada is firmly committed to the open multilateral trade and payments system; Canada's economic development has required a constant flow of foreign investment and will continue to do so in the future.

The Federal Republic of Germany occupies a most important place in Canada's economic relations; it is our fourth trading partner and our third source of foreign capital. Indeed most German companies represented in this Conference have either successfully established themselves in Canada or have entered into fruitful ventures with Canadian companies. Let me assure you that the commitment of the Canadian government further to develop trade and economic relations with the FRG is another thing that will not change.

On November 7 of last year, at a time of restraint in public expenditures, the Canadian Consulate General in Munich was officially opened. Canada now has more diplomatic and trade offices in the FRG than in any other country outside the USA.

Under the new Prime Minister, the Government will continue to work for stronger economic links with Western Europe generally. The Minister for International Trade and I have maintained a regular consultative dialogue with the Commission of the European Communities as well as with our opposite numbers in the Member-States of the Community. Our efforts as a Government are also directed at the European business community. The Canadian Government and Canadian business participated side by side and cooperatively in the European Management Forum-sponsored symposium that focussed on Canada in Davos last January. The interest generated at Davos proved important enough for the EMF to offer to organize a round-table on Canada, to be held in Canada as early as in the fall of this year.

It is my hope, indeed it is my conviction, that your own conference will reveal enough interest to justify active follow-up. That proposed EMF round-table could provide, for at least some of you, an earlier than expected occasion for such follow-up.

The domestic political situation in Canada at this time, will, I am sure, have spiked your curiosity, if not your interest. The country is about to have a new Prime Minister. In addition, as you will no doubt have sensed, an election is in the wind. But no matter its outcome, it is my deeply-held belief that the next government's philosophy towards the role of business, and the importance we attach to the open market system, will be one of continuity.

Canada will remain a place where business has the ear of Government and where useful initiative by the private sector will be enthusiastically supported.

Your conference will probably identify aspects of cooperation that call for some reaction by governments. Rest assured that the Government remains prepared to listen carefully to the views that your conference may wish to address to it. Like the views of the business community of this country, those of the German business community will continue to be of interest to us. The views of foreign firms on Canadian policies affecting their presence in this country are important for us to know. Only in this way can we maintain an enlightened dialogue which, even if it does not produce total identity of views, will ensure that communication lines are kept open and free from misconceptions and misperceptions.

It is on this invitation to maintain a fruitful dialogue that I wish to close my remarks. I understand that the German expression "unter Vier Augen" (pronounce Unter Feer Owgen which means straight in the eyes) applies to frank discussion but is also what one does in Germany when raising his glass. I ask you all to join me in proposing a toast to the success of the work that is ahead of you.