

Deputy Prime Minister



Vice-premier ministre

Ottawa, Canada K1A 0A3

The Honourable    L'honorable  
John Manley    P.C., M.P. c.p., député

**NOTES FOR AN ADDRESS BY  
THE HONOURABLE JOHN MANLEY  
DEPUTY PRIME MINISTER OF CANADA  
AND MINISTER OF INFRASTRUCTURE AND  
CROWN CORPORATIONS  
TO THE CANADIAN CLUB**

**Toronto, Ontario  
February 11, 2002**

**Check against delivery**

**Canada**

I feel somewhat humbled returning to the Canadian Club, before such a prestigious audience, since - someone should say it - I haven't seemed to be able to hold a job since my last appearance here in June 1999 as Minister of Industry. It's starting to become embarrassing!

I'm sure, of course, that you all remember that speech of two and a half years ago quite vividly... anyone? It was on Y2K. It is strange to think back now, that at that time the overriding danger posed to our interests was entirely modern - the potential impact of computerized economies and societies suddenly going off-line. Contrast that to the last five months when we have been consumed with addressing a threat that, in many respects, is not at all modern, but at the same time, nor is it in any way traditional.

September 11 has posed immense challenges to our society, to our security, to our economic management, and to our global outlook. Above all, it has brought into high relief the need for us to make clear and conscious choices as a nation, and as a leader of the global community: what we value, what we will seek, what we must defend - and, ultimately, what we are willing to do in order to achieve these.

The issues before us can be complex - border reform, transportation, policing, financial and immigration issues, and military engagement against an entirely new kind of enemy - to name but a few. But the choices that we have to make are not as complicated as they would seem. We need only ask ourselves what it is that Canadians want. They want security, prosperity, opportunity and freedom. The choices that we make - and that we have been making - are guided by how we can best achieve these and make them sustainable.

As we go about this, however, we sometimes find ourselves confronted with that peculiar Canadian trait of needing to debate these issues in the greater context of our national sovereignty.

That's fine - because it is important to talk about our sovereignty and how we maintain and strengthen it - particularly in these times. The emergence of this debate shows how deep the still waters of Canadian patriotism really do run - and I applaud that, and share in it myself.

Sovereignty is fundamentally about making choices, and about acting responsibly in the national interest so that we are able to preserve that field of choice for ourselves. And it requires us to explore and understand what the choices before us are - and what their consequences will be. Above all, our sovereignty must be dynamic - or else our country cannot be.

This is the 21<sup>st</sup> century - not the Congress of Vienna. Walled nation-states have melted into a global village. There are only two models of sovereignty to choose from in today's world. There is sovereignty which is driven by fear and weakness, rigidly marshalled within an isolationist state; or, there is the type of sovereignty which is anchored in self-assurance, social stability, and economic prosperity. The choice is there, but is it really a difficult one?

Since 1993, this government has pursued a conscious strategy of strengthening national sovereignty by making the right choices for Canada's long-term interests. When we got our national finances in order and eliminated the deficit - and kept the IMF from doing it for us - we placed Canada in greater control of its destiny. This has given us the freedom to make choices - and investments - that will allow Canada to become a "northern tiger" (maybe "grizzly" is a better term for the great white North) - a preferred destination for knowledge workers, trade and investment, and a centre of excellence in innovation, science, research and education. And this, in turn, allows us to sustain the type of open, compassionate and progressive society that makes Canada one of the best places to live on this earth.

On a global level, we continually exercise - and thus fortify - our sovereignty by creating rules to govern the conduct of nations. We benefit economically - by expanding trade and prosperity via instruments like GATT and the WTO; politically - by establishing higher standards of justice and democracy in the world, such as through the International Bill of Human Rights or the application of political will in bodies like the Commonwealth, the Organization of American States and Francophonie, and, of course, the United Nations. We also benefit in security terms, shoring up our own defences and contributing to greater stability in the world through NATO and NORAD.

The way that we have approached the all-important issue of our shared border with the United States - critical to the common security and economic well-being of both our nations - provides a most germane example of how we exercise sovereignty in a globalized world.

The US Director of Homeland Security, Tom Ridge, and I signed an important accord in December - the Smart Border Declaration - that set out a 30-point action plan to ensure the secure flow of both people and goods, to improve our common infrastructure and to coordinate our enforcement of those objectives.

This happened because Canada seized the opportunity to make it happen. We proactively put solutions on the table and backed them with both good business sense and political will. The border did not suddenly emerge the day after September 11 as a new concern for Canada; we have laboured for years - working

closely with US counterpart agencies - to put in place new efficiencies across that 8000 km. frontier. But with the policy focus that emerged through this crisis, we have made greater and faster advances over these last few months than, in some cases, over the past five to ten years!

The new border plan recognizes the mutually reinforcing nature of public and economic security, and the importance of an efficient and effective border as an underpinning to this. It's not exactly a hard sell; both Canada and the US are fully cognizant that the bulk of our massive two-way trade derives from companies operating near, around and across that border. This remains a key driver for jobs and prosperity in both Canada and the USA, and lies at the core of our economic security. But we know that without a foundation of confidence - meaning consistent, comprehensive and effective security measures - this will falter.

Governor Ridge, and I met in New York City last week and we spoke again last weekend, as we do often, to assess progress on the 30-point plan, and we were both pleased with the results to date. Some examples:

Since the time of the Shared Border Accord in 1995, Canada and the US have been developing programs to speed up the passage of low-risk pre-approved travellers across the border. We had first CANPASS and PACE, which evolved into the NEXUS pilot program between Sarnia and Port Huron in November 2000. While the program was suspended after September 11, we have not only re-opened NEXUS, but are now working towards expanding it.

Canada and the US also committed years ago to manage more efficiently the movement of refugee claimants across the border. While negotiations on such an accord slowed in 1997, that process has now been re-invigorated.

Negotiations on the Safe Third Country Agreement will not be easy; it is a sensitive issue - the US knows that 40% of refugee claimants in Canada enter via their country. But Governor Ridge and I have vowed to finalize this accord by June 2002. I would add that the United Nations High Commissioner for Refugees - with whom I met in Ottawa just last week - has acknowledged the need for tools like Safe Third agreements to better manage international migration flows.

We also now have an undertaking to move forward on the pre-clearance of low-risk commercial goods. In the face of a higher security threat, processing the C\$1.9 billion in goods that cross the Canada-US border every day requires effective risk management.

We have just put forward a proposal for such a pilot project in the auto industry where reputable, security-approved companies will pay customs duties through

regular audited reports instead of having their trucks stopped at the border. This would allow them to get their trucks across the border faster, and customs officials to focus their attention on high-risk traffic, where it is needed most.

I will point out, though, that our achievement of these and the other commitments in the border declaration will depend on border infrastructure improvements. This is why some \$600 million in new funding for border infrastructure was provided in the December federal budget.

These are only a few examples of the steps we are taking. Both Canadian and US authorities have agreed to drive the action plan deliverables and timelines as aggressively as possible, and to aim for Prime Minister Chrétien and President Bush to use the G8 Kananaskis Summit this June as a key marker for progress. I have asked all Canadian ministers to raise the 30-point Action Plan with their US counterparts at every opportunity.

Much of the almost 135-year history of our nation has been about how we establish and exercise our sovereignty within a shared North American space - almost always accompanied by ritual fear and anxiety over how a greater North America might mean a diminished Canada (this has always struck me as absurd, since we occupy the bulk of North American territory!).

We saw it during the first national debate on reciprocity, and as we negotiated the Auto Pact, the FTA and NAFTA. And with each step, with each advance, Canada has prospered, and - the last time I checked - there still was a Maple Leaf flying high and proud over our Parliament Buildings.

It is funny that we never question our sovereignty when we extend our actions or project our values into the far reaches of the world. Nor do we hear of other countries voicing suspicions of expansionist Canadian aims when we lobby them to support our viewpoint or join our causes, such as the campaign to ban landmines, the creation of an International Criminal Court, or the development of world treaties to combat terrorism, manage fisheries or lower trade barriers.

We look only with pride upon Canada's international role, but some in this country will only ever look with suspicion upon our interaction with the United States. That attitude sadly belies the confidence that we need, and deserve, to have in ourselves as a strong, proud, independent and immensely successful nation - by any measure. And it is grotesquely out of touch with what Canada has achieved and the role that we have assumed in the world today.

Yves Fortier, a former Canadian Ambassador to the United Nations, despaired in a recent essay of what he termed "the reflexive gnashing of teeth and rending of

garments that often follows the merest suggestion of closer links with our American cousins.” He continued that, ““Doing what is right by us’ (whether that is with the US or any other partner, I would add) is, ultimately, the only mature exercise of sovereignty.”

We are our own nation - we know who we are. And we have no hesitation in disagreeing with the US, or anyone else, when they are wrong. But we also should not hesitate to stand confidently next to any nation - especially our closest partner and ally - when they are in the right.

It dismays me greatly to hear criticisms and doubts voiced about the role that Canada’s military is playing in Afghanistan today simply because we have chosen to deploy there in cooperation with the United States. We are there because we are needed there by the Afghan people. Because we are wanted there by our allies - who count on the depth of experience that our troops bring to the coalition, and who, by the way, are anxious to put to use our cutting-edge, Canadian-made Coyote light armoured vehicles. And we are there because Canadians have made a conscious choice to stand in defence of our values and interests, which were attacked by al Qaeda on September 11.

I take extraordinary pride in what our armed forces are doing today. Canadian soldiers, whether keeping the peace or undertaking combat, are deeply valued and respected by every country that we have served with, and every country that we have served in. Whether we do so in a coalition, with NATO, with the UN, the OSCE is not what is most relevant - what matters is the mission and its importance to our national interests. Period.

Canada must define itself by how we rise to meet the challenges of the 21<sup>st</sup> century, for all its ills and opportunities - not, it must be hoped, by how we avert, and shield ourselves from them. We have the power to make those choices; the key question is the mindset within which we will do so. The mature exercise of sovereignty is about what is doing what is right for Canadians - not asserting differences simply because we can, but rather seeking convergences when it makes us stronger.

Our security, and our sovereignty, will be founded in our active engagement in making the world - including the thin strip of it that runs along the 49<sup>th</sup> parallel - work better, and in establishing for ourselves the political and economic influence to act in the best interests of this country.

THANK YOU.