

## **Keynote Address: Paul Cellucci**

It will be a challenge for both countries to go forward and improve border management. There are two current trends between Canada the US. The first is our continued economic integration, demonstrated by the Security and Prosperity Partnership. Some people think that this should be moving faster, instead it should happen incrementally and there will be no 'big bang,' but there will be a harmonization between health and safety regulations and free trade will continue to grow. Mexico should be included with this.

It is in our economic interests to continue to integrate the economy and the SPP allows us to do so. We won't have an EU common currency but we will look back in fifteen years and have a union in everything but name. It would be nice to have free trade between individuals. There will be opposition to this within the Republican party but labour mobility will be a good thing. This raises the issue of Mexican immigration. This happens because the US is powerful and the labour and market forces are drawing them in. If we were to amend the North American Free Trade Agreement (NAFTA) to provide for labour mobility, so you could live or work in any country, the problem would be solved pretty much over night. The US has to realize that it is in their interests to do this.

Improvements at the border, economic and transport infrastructure, western hemisphere travel initiative and technology will be our greatest ally. We need to maintain the border to facilitate trade as our way of life is dependent on improving and increasing it. We will continue to cooperate on energy. Most people in the US do not realize where they get all their power. Canada, the US and Mexico working together will go a long way to ensure security of supply.

The second trend is the continued cooperation in the war on terror. The Canadian military is good and we consider them to be an ally but the ability of the Canadian military to do combat missions around the globe is in serious jeopardy because of reductions in defence spending. This issue was supposed to be put on the table in 2002 in a presentation to the Canadian Association of Defence and Security Industries. Canadians should be proud of the work done in Afghanistan, as well intelligence cooperation has been extraordinary and continues to be important in keeping us all safe.

Another emerging issue is the Northwest passage. This raises questions, such as, parallel rules for notification, where shipping lanes would be established, immigration policies, coordination of search and rescue missions, as well as environmental concerns. A possible solution to this would be an Arctic navigation commission.

Lastly, I want to speak about the US election. The Democratic debate during the primaries regarding NAFTA was disappointing as ending NAFTA may be a big issue because it is not in either countries interests to do so. There is also the question of what will the issues be for a right of centre country with a government that will govern from the left? Canada and the US are free and open democratic societies with strong economies and a good standard of living and this is a good thing for Canada, the US and most of Western Europe and we have been trying to export all of these things to the rest of the world. Canada and the US will create more and better jobs by exporting and the US will remain a powerful force for a continued period of time.