



**METROPOLITAN HALIFAX  
CHAMBER OF COMMERCE**

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REMARKS BY U.S. AMBASSADOR PAUL CELLUCCI  
TO THE METROPOLITAN HALIFAX CHAMBER OF COMMERCE

Annual Fall Dinner

November 14, 2001

World Trade & Convention Centre, Halifax, Nova Scotia

Your Honour, Lieutenant Governor Myra Freeman, my good friend and old colleague, Premier John Hamm, Mayor Peter Kelly, the leaders of this great Chamber, ladies and gentlemen.

It is great to be back in Nova Scotia. As you know, there are longstanding ties between this province and my home state, Massachusetts. I know how important the fishing industry was to your early economy. Every day when I entered the governor's office in Massachusetts, on top of the door into the office was the sacred cod because the fishing industry was so important to the early industry of the bay colony as well.

I am honoured that President Bush has given me this assignment. I can tell you that I asked for it. I felt that as a New England Governor I had some sense of the importance of this relationship between Canada and the United States. I can tell you that for our country, this is the most important relationship we have in the world.

If you think of how it impacts the day-to-day lives of United States citizens. The 1.4 billion dollars per day that is traded between our two countries translates into a lot of jobs here in Canada and in the United States of America.

Already Canada is our number one source of energy from outside of the continental United States. We have a 5,500 mile common border that requires cooperation on any number of issues from air quality to trans boundary water. So this relationship has a huge, positive impact on the day-to-day lives of the United States citizens.

I want to talk about three subjects this evening. The first one is security. Before September 11, I probably would have told you a little bit about the United States in the world, how we have renewed our talks with North Korea. Our talks with Russia and China on ballistic missile defence are moving forward, President Bush's efforts to release additional arrearages for the United Nations. I would have said that when we have differences like the Kyoto convention on climate change, that we will be candid and honest and work to find common ground. The point I would have made is that the United States is fully engaged in the world.

But I think we know that the jets that hit those towers hit those towers not because we are not engaged but because we are fully engaged around the globe. Now defeating terrorism is at the top of our already long list of international priorities. As President Bush has stated, this is a new kind of war. It is not a war that the United States sought, but it is one we must fight and must win. We know that we cannot do it alone. The President is trying to build the widest possible coalition that will not tolerate the taking of innocent civilian lives for any purpose. This effort has to be comprehensive, systematic, and sustained. We need to break the back of terrorism, its leaders, its supporters, its actors, its networks. We need to cut off the finances, the resources, and the safe harbours. The bigger the coalition, the sooner we end terrorism, the sooner we end this threat.

I can tell you that we did not have to reach out to Canada, Canada reached out to us. On September 14, Prime Minister Chretien in front of 100,000 on Parliament Hill, said that Canada would be with the United States every step of the way, as friends, as neighbours, and as family.

Of course, we saw that right away. We saw it here in Nova Scotia when over 40 airplanes were diverted. Over 9,000 people, thousands of United States citizens, arrived here unexpectedly, and we saw it first hand that the people of Nova Scotia, the people of Halifax opened your homes and your hearts to these people. This will not be forgotten.

As someone from Massachusetts, I was aware of the good people of this province and of this city, and now we have thousands of more citizens of the United States who have gone back, who have written letters to the editor, who have appeared on local television shows, and they have told them about the kindness and the goodness of the people of this region. I know that many of them will be back. We thank you. We thank you for that support and we thank you for that help in a time of need.

But it has not stopped there. The cooperation between law enforcement and intelligence, Canada and the United States, as we seek to track down those who might seek to do further harm, can only be described as extraordinary cooperation.

We saw those three military vessels leave the harbour here at Halifax to join the military campaign as the Canadian forces have stepped forward.

The government of Canada is helping us build this international coalition. The support that has been given to the relief efforts in New York and Washington, D.C. from Canada has been extraordinary.

We are working together to build a zone of confidence here in North America. We need to tighten the screening procedures as people arrive from overseas. We need better documentation, identification, technology at the airports to detect false documents. We need to share data. We need to have confidence in what each other is doing so that we can deter this threat that threatens both of our countries.

Now this does not mean that the United States and Canada will not continue to be welcoming countries. If you think about our histories, it is really a history of welcoming people to our lands. We recognize that immigration and who will come and how many will come and what skills they might bring with them are sovereign decisions for every nation to make. All we ask is that as you continue to welcome immigrants and those seeking refuge and seeking asylum that we have some common security standards in place so that we can protect the people of both of our countries.

As we build a zone of confidence, it will allow us to apply technology to the United States/Canada border to make this a smart border. We will take the low risk vehicles out of line. We know, for the most part, who is driving the trucks, what the cargo is, where the truck was loaded, where it is being unloaded. This can all be tracked electronically. We can use transponders. We can get a lot of trucks out of line. We can get a lot of cars out of line with programs like Nexus, which is a secure program that facilitates passenger vehicles at the border for people who might live in one country and work in the other or for those who have family on both sides of the border.

If we do this, if we have this smart border, if we take the low risk vehicles out of line, the custom and immigration agents for each country can then focus on the higher risk vehicles that will continue to pass. But by taking the low risk vehicles out of the line, we ensure that the United States/Canada border stays open for business. We cannot allow the Canada/United States border to become an impediment to the economic recovery that we desperately need now in both of our countries. As I mentioned earlier, 1.4 billion dollars a day in trade. Twenty-five per cent of the United States' exports come to Canada. Eighty-five per cent of Canadian exports go to the United States.

This is extremely important for the future of our economies which are inextricably linked. In my view, the terrorists win if factories close and people get laid off because of border delays. We are working on both sides of the border intensely to make sure that this does not happen.

The second issue I wanted to talk about tonight has been mentioned already. It is the issue of energy. This is an excellent time to expand energy cooperation between the United States and Canada. Now more than ever, we need to reduce North America's reliance on foreign sources of energy. Energy fuels our economies and maintains our ways of life. We need reliable sources of energy. We need the reliable transmission of energy. We need the reliable provision of electricity. We take it for granted when we get up in the morning and put the light switch on that the lights will come on. We know that in the western part of the United States earlier this year for a few days that was not the situation. We believe that we must continue to integrate the North American energy market.

This is where I saw first hand the mutual benefits of this energy trade. As a New England governor, I worked with Premier Hamm to get that Sable Island gas into Massachusetts and into New England. Two winters ago, we had some real problems. We almost ran out of home heating oil. The prices spiked up. It caused a lot of hardship for businesses, for senior citizens, for families. This past winter, that Sable Island gas is flowing into New England. It stabilized the entire winter fuel situation, and we did not have the kinds of problems we had two winters ago. I know that this is important for the economy of Nova Scotia. This is what I mean by mutually beneficial energy trade.

I talked with the Premier again today about another promising project, a Neptune transmission system that is being proposed, where a gas-fired power plant here in Nova Scotia will export by sub-sea electric cables to New York and to other destinations in the northeastern part of the United States clean, efficient, and secure energy. Again, another example of where this trade can be mutually beneficial for the United States and for Canada.

Now Canada is more than just our number one supplier of energy. You are a world leader in the movement towards well functioning, market-based, environmentally sensitive energy development. Canada's oil and gas technologies and pipeline expertise are second to none.

Canada has a long historical record of over a hundred years now of producing clean electricity on a large scale from hydro resources. Yes, the United States is a huge consumer of energy. It is the basis for our industrial growth and it obviously fuels the United States' demand for Canadian exports.

President Bush's national energy report recognizes the Canada/US relationship provides the best possible model we could find anywhere of reliable and mutually beneficial energy trade.

I want to spent just a moment on the President's energy report because I know most of the media attention focuses on increasing energy supplies. There are four other major components of the President's strategy. Modernizing infrastructure is a very important piece of what we have to do. We can have all the energy in the world; if we do not have the ability to get it to where it is needed, it does not do us any good. The national government is playing a very important role here, permitting the pipelines, permitting the transmission lines, making sure that there is a regulatory climate that allows this infrastructure to be built.

Energy security is another major aspect, and I have already mentioned this. The United States and Canada and Mexico are working together on this integration of the North American energy

market so that we do have reliable sources of energy and the reliable transmission of energy, so that we can reduce dependence on foreign energy with an integrated North American domestic market.

Now 40 per cent of the President's national energy report relate to conservation and environmental goals, which are the last two major goals of this report. Energy conservation: we now use about 40 per cent less energy to produce a unit of new goods and services than we did in 1973. As President Bush has said, conservation does not mean doing without. It does mean doing better and smarter and cheaper using new technology. Again, as President Bush stated, conservation on a wide scale takes more than good ideas. It takes capital investment. There are incentives in his plan for that capital investment.

Now the fifth goal of his national energy policy is to accelerate the protection and the improvement of the environment. An effective energy strategy can yield a cleaner environment. Cars built today emit 85 per cent less carbon monoxide and 90 per cent less lead than they did 30 years ago. The President's report recommends tax credits for alternative fuel vehicles as well as a number of other incentives to protect our environment. We share this continent's air, water, and wildlife with our neighbours. We know that these things are not stopped at our borders.

Now the last issue I wanted to touch upon briefly is free trade. We believe that NAFTA is working. We believe that Nova Scotia is taking full advantage of NAFTA's possibilities. Obviously, given your gas reserves and your energy resources, you will continue to play a major role in the integration of the North American energy market.

We also believe that the free trade era of the Americas gained much momentum earlier this year at the Quebec summit. We are fortunate to live in Canada and in the United States. These are two free and open democratic societies that respect individual liberty and human rights. We have strong economies that create jobs and prosperity and a good standard of living for most of our citizens. But we also must recognize that billions continue to live in abject poverty, not only around the world but in our hemisphere. Free trade helps to build economies so that we can lift people out of poverty.

I was with the departing Mexican ambassador a few weeks ago in Ottawa, and he talked about the fact that NAFTA had done a lot to strengthen the economy of Mexico. But he also told us that 40 million Mexicans still live in poverty. He too talked about the Summit where 34 democratically elected leaders gathered in Quebec City to move forward with the free trade area of the Americas.

I thought that President Fox of Mexico had one of the more telling comments of that summit. When he talked about the protesters who had gathered in great numbers in Quebec City to protest what these 34 democratically elected leaders were moving forward with, he said that they were all protesting on full stomachs. He said, "I am here representing people who do not have food on the table." President Bush said at that summit that economic freedom creates habits of liberty and habits of liberty create expectations of democracy.

Canada played a major role in the Summit of America in insisting on the democracy clause that is such an important part of the free trade area of the Americas.

Now NAFTA, we believe, is working. It has benefited the economy of Canada. It has benefited the economy of the United States. It has benefited the economy of Mexico. It is lifting people out of poverty in Mexico. As we continue to create millions of middle class consumers, we know that

they will be purchasing Canadian and United States' goods and services. We believe the same will happen with the free trade era of the Americas throughout our hemisphere.

President Bush is seeking trade promotion authority from the Congress. It has passed the House Ways and Means Committee. The President is determined to get this trade promotion authority by the end of this year. The free trade era of the Americas is an agreement that is being negotiated is a landmark for openness and transparency. Thirty-four governments must negotiate a hemispheric agreement that benefits businesses, that benefits consumers, that benefits workers, and that benefits the environment.

Finally, a word about the World Trade Organization. The United States and Canada support the launch of the new round of multi-lateral trade negotiations. The trade ministers are in Doha, Qatar right now. They appear to be making progress. But it is really the same principle, the same principle that we have seen work with NAFTA, the principle that we expect to see with the free trade era of the Americas. And that is as we help build strong economies, we lift people out of poverty around the world. We create middle class consumers with a much better standard of living.

The United States and Canada will continue to work together. We are working together on security so that we can defeat the threat of terrorism, and we are working together on free trade so that we can defeat poverty in our hemisphere and around the globe. We continue to work together as partners, as neighbours, as friends, and as family. I have been reminded every single day since the events of September 11 that the overwhelming support and help that the people of Canada have provided to the people of the United States, I have been reminded every single day how lucky we are in the United States of America to have such great friends in Canada.

Thank you very much.