

GATT is vital to the maintenance of an orderly trading system throughout the world, and it has brought real gains in attacking trade barriers. But it must take the needs and aspirations of a hundred nations into account, and so its progress is necessarily slow. By itself, it is not equipped to address the needs of a bilateral trading relationship as extensive, dynamic and complex as the one between Canada and the United States.

From Canada's perspective, our bilateral trade negotiations should aim to achieve three major mutual objectives.

The first is assured and stable access to each other's markets so as to create employment in all regions of Canada and the United States and to stimulate balanced economic development in our two countries.

The second is to attack the remaining tariff and non-tariff barriers. We need, for example, to look at local content rules. We need to deal with "Buy America" and "Buy Canada" restrictions to government procurement.

And the third objective is a better framework of rules for the settlement of disputes. With more certainty and predictability, we will both have a more confident basis for investment, expansion, modernization and specialization.

We see our negotiations focusing on ways to reduce the scope for harassing each other's competitive exports. We in Canada are deeply concerned about the increasing level and scope of U.S. trade protection laws -- at the extent to which anti-dumping, countervail and emergency safeguard actions are being demanded and considered. Sometimes these measures are aimed directly at Canadian products or services. Often they are aimed at others, but we get sideswiped by them.

We believe it essential to put a stop to this sideswiping -- and sometimes we are the ones who sideswipe you. We would like to see a more predictable trading environment between our two countries.

We also consider it important to codify more clearly the rules on subsidies to industry, agriculture and fisheries. We know that you have concerns about our some of our practices, just as we have some concerns about some of yours.

As we approach the bargaining table, a matter of concern to many Canadians lies outside the area of trade. It has to do with our social programs and our cultural sovereignty.

Not all Americans understand our concerns about maintaining our cultural sovereignty, but they are very real. They come from the disparity in the sizes of our two populations -- you have almost ten times as many people as we do -- and from the differences that do exist between us in some important areas. President Reagan the other day said that Canadians and Americans are not only friends and neighbours, we are cousins. And that is very true. Yet for all the similarities between our two peoples, there are differences as well, and we have no intention of giving them up.

We are a bilingual country, not only in practice -- as is the case in California -- but in law, as well. We will remain so.

We are committed to a wider net of social programs than Americans are. These include our health and unemployment insurance, our pension plans, and the reduction of regional disparities. We will remain committed to them.

We also have special policies to protect and promote our cultural industries -- such as publishing, broad-