

Unfortunately, these protectionist policies only provide short-term relief and do nothing to prepare for Canada's long-term future. The protectionists also ignore the fact that Canadians cannot consume everything we produce. To prosper, we must trade. Wheat is a good example of the linkage between our prosperity and our ability to trade.

Our government believes international trade treaties help ease the adjustment for Canadian workers because they cushion the effects of increased competition with safeguards and transitional measures. For example, the five- and ten-year tariff reduction periods in the FTA will gradually allow Canadian industries to adjust from the competition of a market of 26 million people to a market of over 260 million people.

When we negotiated the FTA, we recognized that Canadian businesses might wish to accelerate tariff reductions and adjust sooner rather than later. That's why the FTA provides for accelerated elimination of tariffs subject to bilateral consultation.

In the first round of tariff reduction accelerations, hundreds of Canadian businesses came forward and told us they were ready to compete and were not prepared to wait. As a result, tariff reductions were accelerated on more than \$6 billion in bilateral trade last April.

Last month, we announced the results of the second round of FTA tariff reduction accelerations which will come into effect on July 1. This year about \$2 billion in bilateral trade is involved and I am particularly pleased we were able to eliminate American duties on Canadian fresh or chilled beef, canola seed and flax seed. These tariff eliminations will make Manitoba products more cost competitive and create benefits for the West.

This \$8 billion worth of accelerated tariff reductions over the last two years demonstrates that Canadians are effectively adjusting to free trade with the U.S. Also, the fact that we have increased our spending on job training programs by almost 50 per cent illustrates that our government is prepared to assist with adjustment if necessary.

The above facts demonstrate that we are off to a good start with the FTA and that Canadians are seizing the opportunities of increased trade with our largest trading partner.

I would like to conclude my remarks with a brief discussion of the American fast-track negotiating process because it may affect both our Mexican and GATT international trade initiatives.

The starting point of the fast-track process is the U.S. Constitution, which grants Congress the power to negotiate and