

initiatives with the same, central objective: expanding trade and investment opportunities through liberalized trade.

I know that our Asia Pacific partners have some concerns that a NAFTA might lead to the formation of a North American trade bloc that might shut them out. As I and my counterparts from the United States and Mexico have said on a number of occasions, we are not seeking in NAFTA to create an exclusionary trade bloc of any kind, nor do we seek to erect any new barriers to our trade with other partners.

The purpose of NAFTA is to design a more predictable and effective rule-based framework to govern trade and investment flows in North America. Any agreement that emerges will be fully consistent with the GATT and will help reinforce the concept of a Pacific trading culture, by opening our economies still further to foreign competitive pressures, and by more firmly entrenching the principles of free trade within our private sectors. Creating an integrated market of some 360 million people, NAFTA will, through rationalized production and enhanced incomes, generate a substantial boost in investment and trade opportunities for the entire global trading community.

Furthermore, the issues being negotiated in the NAFTA context are in many cases on the cutting edge of trade policy, and could serve as useful precedents for multilateral and other regional negotiations.

As a government, and a member of the group of seven leading industrialized countries (G-7), we have no alternative to confronting the most urgent matters on the international agenda. We and other G-7 governments have had to devote a great deal of attention to Eastern Europe and the collapse of Communism and its tyranny.

Another major development is Europe 1992. EC '92 presents challenges along with considerable opportunities in our trade and economic relations with the EC. On balance, we view EC '92 positively because it supports trade liberalization.

Then, too, the Earth Summit in Rio has focused on environmental issues which must concern us all today. Canada -- in line with other G-7 countries -- will do its fair share to support the international follow-up that will be needed to ensure the success of the United Nations Conference on Environment and Development.

Canada does not support using trade measures to correct environmental problems in other countries. We prefer multilateral action, long a cornerstone of our foreign and trade policy.