

Trade: Securing Canada's Future

Introduction

On December 11, the Government tabled the Canada-United States Trade Agreement in the House of Commons. The Canada-United States Trade Agreement is the biggest trade agreement ever concluded between two countries. It covers trade and trade-related issues, and breaks important new ground which will be of lasting value to the Canadian and U.S. economies.

The Agreement sets a new standard for trade agreements concluded under the *General Agreement on Tariffs and Trade* (GATT). It builds upon a patchwork of GATT commitments, bilateral arrangements and ad hoc understandings and expands them into a treaty between Canada and the United States which should govern the trade and economic relationship for the foreseeable future. The Agreement meets the tests of fairness and mutual advantage. It is an Agreement that sets the stage for greater prosperity in Canada and the United States.

The accord provides a powerful signal against protectionism and for trade liberalization. It reflects the commitment of both governments to liberalize trade on a global basis through multilateral trade negotiations under the GATT.

Once in force, the Agreement will chart a new course for the largest and most important trading relationship in the world. As a result, the economies of both countries will grow and prosper. It will add significantly to economic growth, incomes and employment in Canada. Canadian business will become more competitive in the Canadian market and world markets. Canada will become a stronger, more confident country in the world trading community. It will mean a richer Canada, a Canada which can afford to maintain and enhance the quality of life through, and for, Canadian cultural endeavours. A richer Canada will allow governments to continue to stimulate economic development in Canada's poorer regions and strengthen social programs for all Canadians.