

deliver. Canada and the United States have already adjusted to the rules of the FTA. Now it is Mexico's turn.

In taking this approach, Mexico is showing tremendous courage. Mexico is a developing country negotiating with two rich countries. There are no precedents for a country like Mexico negotiating on an equal footing with developed countries. If successful, these negotiations will create hope for all the other poor countries of the world, and will tell them that trade rather than aid is the constructive way forward.

I cannot describe it better than one of Mexico's leading industrialists, Claudio González:

Mexico has experimented with many unsuccessful economic models over the past few decades. We've tried import substitution, an oil-based economy, protectionism, foreign credits, and government intervention, but all have failed. Now we've finally found an approach that works.

In the process of negotiating a North American trade regime, Canada and the United States are taking advantage of their experience over the past three years to improve and strengthen the rules where we can. We want to do better on rules of origin. We think we can make customs administration more transparent and predictable. We may be able to include transportation under the new agreement.

From the beginning, however, Canada and the United States have adopted one basic rule. Neither of us is interested in undoing any delicate compromises settled in 1987. But we are interested in improving the rules and procedures where we can. It would be folly to miss this opportunity.

What will a successful NAFTA negotiation mean for Canada? Three things come immediately to mind. We will gain vastly improved access for goods, services and investment to a growing market of more than 85 million people. We will gain that on the same basis as our American competitors.

In this case the past is not a good indicator of the future. Our exports to Mexico have been modest, for good reason. Mexico was a closed economy. They could sell to us but we could not sell to them. A NAFTA, however, will open the Mexican economy to Canadian and U.S. firms and provide significant scope for new business. The more than 200 Canadian firms who showed up at the Monterrey Fair earlier this year are already filling their order books. They are not waiting.

Secondly, improvements in the FTA incorporated into the