

## **The NAFTA is about the future**

Mr. Speaker: the North American Free Trade Agreement (NAFTA) is about Canada's future. The NAFTA is a comprehensive agreement that builds on and improves the benefits of the Canada-United States Free Trade Agreement (FTA). The NAFTA improves our access to the United States and gives us unprecedented access to Mexico's fast-growing market.

This Agreement is about growth and prosperity. Opponents of trade liberalization often suggest that the benefits for one country come at the expense of another. But expanded trade and investment benefits all those who engage in it. By specializing in what we do best, we improve our productivity and increase our wealth. Through trade liberalization, we both preserve and create jobs, and improve the prospects for Canadian companies to compete successfully worldwide. This is the proven strategy for growth and for improvements in Canadians' standard of living.

The figures speak for themselves. Canadian merchandise trade surplus with the U.S. rose 13.6 percent last year over the previous year. Our merchandise trade surplus with the U.S. reached a record \$17.7 billion in 1992. I cannot over-emphasize that exports are the engine of growth driving Canada out of the recession. A C.D. Howe Institute analysis shows that in the first three years of the FTA, Canada's exports to the U.S. were strongest in those sectors that were liberalized by the Agreement, particularly non-resource-based manufacturing.

## **Canada is a trading nation**

Our goal as a government has been to protect today's markets and to open the markets of tomorrow. It is with this aim that we are pushing forward for an ambitious result in the Uruguay Round negotiations of the General Agreement on Tariffs and Trade (GATT). We achieved this through the negotiation of a Canada-United States Free Trade Agreement. And we consolidated and improved upon this achievement by negotiating the North American Free Trade Agreement. This Agreement:

- improves our access to the U.S. market;
- gives us preferential access to a growing and dynamic Mexican market; and
- ensures that Canada remains a preferred location for both foreign and domestic investors.

Canada's wealth and growth prospects depend on our access to world markets. We are a small nation in terms of population; access to outside markets underpins our economy and standard of living.

That is why we negotiated the FTA, and that is why we negotiated the NAFTA.