

Although we are participating in these trilateral talks, Canada and Mexico remain strongly committed to the GATT multilateral trading order and we are both working towards a successful completion of the Uruguay Round of negotiations later this year.

For many years, trade liberalization has been a key element of Canada's economic success. We have benefited from our membership in the GATT, and have played an active role in all of the preceding Rounds of multilateral trade liberalization. These trilateral talks complement our many other initiatives designed to position Canada as a competitive force in an increasingly open and interdependent global economy.

So where do we go from here?

In recent discussions with Mexico and the United States we have all agreed that Canada should participate in consultations designed to establish the basis for subsequent negotiations on a free trade arrangement linking Canada, the United States and Mexico.

Prime Minister Mulroney has written letters to President Salinas and President Bush stating Canada's interest in participating in negotiations with Mexico and the United States on a North American free trade agreement which would benefit all three countries.

Over the next several months, we will be examining the scope, elements and procedures that would form the basis for subsequent negotiations. I am confident these preliminary discussions will be productive and demonstrate that a mutually advantageous agreement can be concluded. We do not expect formal negotiations to begin until sometime later next spring.

We intend to continue to consult widely and openly in the coming months to ensure that Canada is well prepared for the negotiations that should commence next year after the GATT negotiations have concluded.

The fact that this is Minister Serra's third visit to Canada this year illustrates his strong personal commitment to our relationship. We hope that he enjoys the rest of his visit to Canada and that he has a safe and pleasant journey home.

I again wish to thank him and his delegation for honouring us with their presence and we look forward to working with them in the coming days