

We decided to engage in bilateral negotiations with the United States for only one reason: it is in Canada's interest to do so.

We think it is important to seek to secure our access to the U.S. market and enhance it if possible. We want to redefine the rules that presently govern trade between the two countries.

We want to try to find an end to the kind of harassment that we have faced in the U.S. We want to shield key employers such as our forestry industry - the largest industry in this province - from the forces of protectionism.

Last week in Parliament, I spoke of the harassment that our softwood lumber producers have faced for the last five years. Their U.S. competitors have sought fact-finding investigations, and a countervail case in 1983 which we won. We're all aware of the present countervail case which is set to be decided in two days time. When I announced an offer to settle the case, I stated that even if we won the case, and I see nothing in the U.S. law that would lead me to think we should not, we would face further harassment in Congress. More evidence of that was provided last week when forty Congressmen wrote Clayton Yeutter noting that a failure to resolve the case in favour of the U.S. petitioners "will only increase the pressure for a legislative solution". This, they said, would likely be much more far-reaching than the administration or the Canadians would like and "could jeopardize trade relations with Canada".

These kinds of threats are precisely why we seek new rules. The existing rules may be law but their enforcement does not always lead to justice. We want more certainty, a more confident environment for investors and producers in Canada.

There are many other trade actions taken by the U.S. that we are unhappy with. But we are not walking away. Rather, we are addressing these problems in negotiations that we hope will provide a better framework for trade between us. For these reasons we have embarked on the bilateral negotiations.

Will we get a deal? It is too early to say. I believe that a deal that advances and protects Canada's interest is certainly possible and I am impressed with the preparation undertaken by our side.

Let us remember, however, that ultimately the challenges of drawing up new rules to govern trade is one that faces government. There is another challenge. It is a challenge to you, the people who are engaged in the conduct of trade.