

strongly committed to the GATT multilateral trading order and we are continuing to work 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 every round of multilateral trade negotiations.

Later this week, I will be hosting a quadrilateral trade ministers meeting in St. John's with my counterparts from Japan, the United States, and the European community. The Uruguay Round will figure high on our agenda.

Again, I would like to stress that formal negotiations with Mexico and the United States are not scheduled to begin until well after the conclusion of the Uruguay Round.

The Mexico trade talks complement our many other initiatives designed to position Canada as a competitive force in an increasingly open and interdependent global economy, including our tax reform policies, our employment retraining programs, and our Going Global trade development strategy.

## 5. CONTINUING CONSULTATION

As I mentioned earlier, during the last several months we have conducted preliminary studies and have consulted widely.

The question of Canada's participation in these talks has been extensively debated and written about in Canada since the prospect of a bilateral United States-Mexico free trade agreement first emerged last spring. Almost all serious analysis argues strongly for Canada's participation.

For example, the day following my announcement in the House of Commons, a Financial Post editorial stated:

*"It has been said that the foreign policy of states lies in their geography. One overwhelming reason for proceeding with a North American Free Trade Area is proximity. What more obvious place to increase trade flow than on a continent with*