

I might add that we share with the United States many of the same concerns about the GATT, such as the need to make it more effective, to strengthen the safeguard system, to study the problems related to trade in services, to integrate the developing countries, especially the newly industrialized countries, more fully into the trading system and to a renewed commitment by all nations to the GATT dispute settlement mechanism.

Time does not permit me to go into greater detail about these but I have made available for you copies of a speech which I delivered to the International Chamber of Commerce on June 22, 1982, in which the priorities which Canada sees as meriting attention are spelled out.

Our two countries also share many other areas of common interest where there is scope for co-ordinated and concentrated efforts on the part of our respective governments. The joint interest we mutually share in preserving and strengthening the North American automobile industry is one such example. Another is our joint interest in urging Japan to open its market to efficient producers from both our countries, realizing that Japan, as a country, is for both Canada and the United States our second most important market. We must focus on all those issues where our two nations share the same interests and ensure that they are concluded to the mutual benefit of both of us.

To our mind, the dispute settlement procedures are one of the most important aspects of GATT. This would seem to be confirmed by the increasing use which is being made of them. Some have dismissed this as unnecessarily bureaucratic. Yet much of it arises from the variety of problems with which trading nations are faced these days and it is surely preferable to make use of established procedures rather than to take independent and sometimes irresponsible action. Many of the questions currently at issue between the United States and Canada are being dealt with in GATT, not the least of which is the US complaint against certain practices of our Foreign Investment Review Agency (FIRA).

On the topic of FIRA, the government's objective remains to ensure that through the Foreign Investment Review Act the foreign-controlled corporations serve the Canadian interest by contributing fully to the development of an innovative and internationally competitive industrial structure which provides the greatest benefit for all, including investors both domestic and foreign. I think that it is clear that the Canadian government has responded to many of the concerns expressed by foreign investors and others about aspects of the FIRA process.

As a result of the recent budget there have been some changes made to the administrative procedure in an effort to make that process more timely and efficient. Some of these changes include the establishment of new thresholds under the small business procedures for new investment and direct acquisitions in Canada, and even higher

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