



No. 214

September 24, 1990.

INTERNATIONAL TRADE MINISTER CROSBIE ANNOUNCES CANADA TO  
PARTICIPATE IN FREE TRADE TALKS WITH  
MEXICO AND THE UNITED STATES

International Trade Minister John C. Crosbie announced today that Canada has decided to participate in discussions with Mexico and the United States to establish the basis for subsequent negotiations on a free trade arrangement among 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.

"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", Mr. Crosbie stated.

"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 next year", Mr. Crosbie added.

In explaining the Government's rationale for taking this decision, Mr. Crosbie said, "We want to ensure our trade opportunities in the vital North American market. Mexico is an increasingly important part of that market, and a partner of growing importance to Canada.

We therefore have concluded that it is in the Canadian interest to participate from the outset in these free trade talks first initiated by Mexico with the United States. The alternative would be not to participate and to lose the opportunity to have a direct influence and role in negotiations which could affect our trading interests in the vital North American market."

Mexico is now Canada's largest trading partner in Latin America. Mexico's recent economic reforms and trade liberalization measures will lead to substantially increased Canadian trade with Mexico in the 1990's.