

Perhaps too, they fail to realize that all trading nations have grown wealthier and more prosperous, thanks to the enormous increase in world trade during the last four decades.

Unfortunately, the strong protectionist pressures buffeting the world trading system have strained the Canada-United States relationship. In some ways this is to be expected. Our two countries have developed the largest two-way trading relationship in the world. Trade in goods and services between our two countries exceeds \$145 billion U.S. annually. Each country is the other's largest export market. Citizens and businesses in both countries engage in millions of cross-border transactions every year. These include the purchase and sale of goods, rapidly growing financial transactions, and a substantial two-way tourist business.

Moreover, our trade has been growing rapidly in recent years. Many billions of dollars of investment capital are closely tied to it. In sum, the ties between Canadian and American business are extremely complex.

It is precisely because of these close ties between Canada and the United States that business leaders in both countries should worry about the trend toward protectionism. The stakes for business are clearly enormous.

If the current negotiations succeed, our trading relationship will be more secure, new markets will open up, new jobs will be created, and investment will grow in an environment of certainty.

On the other hand, if the negotiations fail, this historic opportunity will have been missed. We will have missed an opportunity to create new jobs. We will have missed an opportunity to promote new growth. And we will have missed an opportunity to show the world the way to trade liberalization in the 1990's and beyond.

In both countries, the protectionist voice is loud and clear. It's now time to hear from those who will benefit from a trade agreement. In my view, clearly the vast majority of Canadians and Americans will benefit from such an agreement, both now and in the future.

The evidence overwhelmingly shows that both Canada and the United States have prospered from trade liberalization. As we have lowered our trade barriers in cooperation with other nations, jobs have increased, business has become more efficient, national income has risen, and our consumers have benefitted. Our economies are more efficient, more competitive