

After extensive consultation with Canadian steel industry and labour representatives, I announced in April of 1987 a policy designed to secure access of our steel exports to the U.S. market.

The heart of this package was an export monitoring system to gather more accurate steel import and export data and to ensure that Canada is not used by offshore suppliers as a backdoor to the U.S. market.

The information gathered under this program shows that our trade practices in steel are fair and that U.S. protectionist measures in this industry are unwarranted.

As far as the free trade agreement is concerned, the provisions on safeguards and dispute settlement will go a long way in securing access to the U.S. market for Canadian steel exporters. This is particularly important given existing voluntary restraint agreements which the United States has concluded with a number of steel exporting countries.

The government of Ontario has said that it is in favour of trade liberalization, but not in favour of this agreement.

Its reasons for taking this stand are not particularly clear. For example, the Premier has said that he cannot support the agreement because Canada was not exempted from U.S. trade laws.

Our objective was to ensure the fair application of trade laws. We sought and we obtained the rule of law in order to replace what was degenerating into the rule of lobbies .

The agreement establishes binational ways of settling trade disputes. In future, Canadians, and not only Americans, will referee trade disputes with an impartial chairman.

This ensures that Canadian exporters, who play by the rules of the game and who successfully increase their market share in the United States, will be protected from harassment by U.S. competitors.

The agreement does not guarantee success.

It does not guarantee prosperity.

It does create a rational and fair trading environment in which these goals can be achieved.