

that reduce the possibility of disputes concerning the issues of subsidies, dumping and the operation of trade remedy laws. Canada is determined that these working groups yield positive results within their two-year time frames.

Although these deliberations will be complicated, there is every reason to take up the challenge. In fact, I invite the people in this room to begin the process today. In doing so, I would like to focus on one particular aspect of interest to all of you — anti-dumping measures.

My question to you today is whether such measures fit the emerging North American market environment, in which the pricing behaviour of firms is less likely to be dependent on their national location. Should firms not react to price competition in the same way, regardless of whether that competition is coming from Hamilton, Cleveland or Monclova?

This situation prompts a number of questions, the answers to which will chart the trade remedy agenda for the next 18 months:

- Are the definitions, thresholds and mechanisms provided in current anti-dumping law the right measures for determining "inappropriate behaviour" in the North American context?
- In an integrated North American market, where firms have rationalized production on a North American basis, the concept of a national industry may no longer be viable. Should we examine the impact of pricing behaviour on the North American market as a whole?
- Is it possible to establish a more direct link between the pricing practices of one firm and their impact on another? For example, does the pricing behaviour of one firm affect the pricing behaviour of another? If so, how long does the effect last and how does the firm or the market in which it operates compensate?
- Should remedial action by Government in response to pricing behaviour be limited to products — as in dumping — or could it be assessed on a particular firm — as in competition law? Beyond that, we could look at which method is likely to elicit a more effective response in terms of restoring a competitive equilibrium to the market.
- Should different approaches be considered for different sectors of the economy, depending on their circumstances or degree of need?

These are the sorts of questions that will have to be answered if we are to establish a trade remedy regime in North America that reflects the reality of the North American market. The people in