

In light of these economic realities, and the uncertainty over the details of 1992, our government action plan for 1992 is three-fold.

First, we will continue to use the GATT as a framework for Canadian-Community trade relations. We want to build on the existing GATT Codes; to devise new rules for trade in services and investment; and to restore order in agricultural trade. The issues are, of course, difficult at the best of times. They will, we hope, be made easier by the architects of 1992. We must soldier on, building on the agreement reached in Geneva 2 days ago.

Second, the government will continue to monitor 1992 developments closely, and alert Canadian firms about the opportunities and risks ahead. David Culver -- a member of the International Trade Advisory Committee -- is leading the task force on 1992 that is advising the Government. Our missions and embassies are keeping their eyes peeled. Working groups have been created within the Government to provide detailed analysis; and we are releasing today 1 of the 3 major studies to assist Canadian business.

Third, we want to encourage strategic corporate alliances and promote two-way investment, recognizing that the Community is already our most important overseas source of direct investment. It is an area where I am sure Mr. Royer will agree that Canada should not come up "short".

So that will be the basic Canadian trade strategy for the 90s. A three pillar strategy, with the FTA as the key to competitiveness, and multilateral rules as the bridge between the three pillars of Asia, Europe and North America.

And within the European pillar:

- using the GATT as a framework for Canadian-Community relations;
- detailed, ongoing analysis of 1992 developments;
- the encouragement of strategic European alliances; and
- improving on international business skills.

So the message is simple.

- 1992 is a major change on the competitive landscape -- one more step in the emergence of the global triad.