

However, the pace at GATT is slower than the pace of the Canada-U.S. talks, and the issues are more complex. The results of the GATT negotiations will be less satisfactory in the short run.

Canada and the U.S. are, therefore, jointly pursuing negotiations aimed at a comprehensive bilateral trade agreement, an agreement fully consistent with our obligations under GATT.

The two efforts are not alternatives. Rather, they mutually reinforce one another. The bilateral negotiations, however, recognize the uniqueness of the relationship between our two countries.

In the early days of GATT, the leading industrial powers negotiated and bound themselves to reduce the then principal regulator of trade -- the tariff. While trade may seem more open than in the days of high tariffs, in reality it is much less secure. New investment and growth require a stable and predictable trading environment. Low tariffs help, but they are of little practical value if this improved access can be frustrated by other barriers at the border.

The protection formerly provided by the tariff has now been replaced by trade remedy laws, such as those providing for anti-dumping and countervailing duties and so-called voluntary export restraints. They allow countries to exclude or penalize imports if the importing country perceives them to be unfair.

It is under these laws that some American producers are seeking relief. Congress seems prepared to expand and strengthen the remedies available to them. And Canadian exporters are feeling the effect of these actions.

Since 1980 at least 20 anti-dumping investigations, 11 countervailing duty cases and 13 safeguard actions were brought against Canadian exporters to the U.S. market.

What is the answer to this rise in protectionist actions? It is not to wring our hands and gnash our teeth. It is to find a better way to solve our trade disagreements, whether in lumber, fish, hogs, steel or whatever.