per cent per year. GATT is addressing these problems and new rules for services. So are we in the Canada-U.S. bilateral negotiations. We have some of the finest service industries in the world in engineering, financial consulting, computer services and banking. We are world-class competitors and we want to ensure access to world trade and services.

Also on the table is investment. All countries around the world are loosening their investment policies. We did so when FIRA became Investment Canada. The result was a record $6.8 billion worth of investment for 1986. So far we are dealing only with trade-related investment measures. The Americans want more. We are listening but we have not given the negotiators a general investment mandate.

The Opposition has raised the question of what the Americans want from this. Why are they bothering with the bilateral negotiations with Canada? What motivates them? Several things. First, we are their biggest market and their only growing market in the world today. Second, they want better rules on trade in goods and services and tariff procurement practices and provincial practices on intellectual property. They have the same agenda as we do. Much of this is new ground. What is very important to them is the trade and services agreement with us. The Americans can no longer dominate traditional markets such as steel and automobiles, and they threatened to walk away from GATT if trade and services was not included. The feeling in America is very strong that if they cannot make a deal with Canada in these new areas in particular, if they cannot define rules and regulations for new issues like services and intellectual property, they are unlikely to do it in the wider world of the GATT. They have a major and fundamental interest, even a historic interest, in trying to come to terms with us. So the conditions for these negotiations are far more balanced than the Opposition would lead us to believe.

We cannot stand still. Either we see our trading opportunities and eventually our prosperity fall prey to American protectionism, or we seek an agreement with Washington which will give us more secure access to that market. Let there be no doubt, standing still will make us poorer. Only moving forward will make us richer.

As Minister for International Trade no one knows better than I about the effect American trade remedy laws have had on our exports. We have seen it in shakes and shingles, fish, lumber, and farm products. Those unilateral decisions on what they call unfair practices are the problem between us. Americans call them fair trade laws but they are not. Americans say they cannot accept dumped or subsidized imports from us. We agree. We do not want theirs either. However, we do need a better way to work out these problems. If things were working smoothly neither side would need a change. The simple fact is that the present laws are not working and we need a way which eliminates the problems rather than introducing new barriers at the border. We need a system to ensure the neither country is penalized without a fair and impartial method of resolving disputes under agreed rules.

Let me repeat the message that the Prime Minister gave so clearly to this House. There will be no agreement without such a change. No agreement this Government signs will hold Canadian workers or industries hostage to the unpredictable whims of American protectionism. Canadians want to compete openly in a larger market with clear rules and fair access and that is the kind of agreement we are pursuing. For those who doubt what a trade deal with the United States can do they need look no further than the booming economy of south central Ontario. Much of that boom is based on what now amounts to free trade in automobiles. My colleague, the Minister of Finance (Mr. Wilson), will be speaking more specifically about the Auto Pact a little later in this debate. Just let me remind Members of this House that there was considerable controversy over that agreement when it was negotiated more than 20 years ago. The Leader of the NDP in this House has consistently called for its renegotiation. Instead, it has been a resounding success and created thousands of jobs in Ontario. Those of us from other parts of the coun-