

The Push for an Integrated North American Market

Canada will open a new door to economic opportunity if it is successful in negotiating a new free trade agreement with Mexico and the United States. The government decided last February to take part in negotiations aimed at creating a 360-million-strong, integrated North American market. From Canada's point of view, the proposed trade pact will be one in which all three countries can hone their skills to better take on the demanding competition of today's global economy.

The push for a North American Free Trade Agreement, or NAFTA as it's been dubbed, is a strong manifestation of Canada's long-standing internationalism. Far from seeking an inwardly protective trade arrangement, Canada brings to the North American bargaining table the open-market principles it has been pursuing at the Multilateral Trade

Negotiations (MTN) during the Uruguay Round of the General Agreement on Tariffs and Trade (GATT). Canada is strongly committed to removal of trade barriers worldwide and will push that principle wherever it has a chance of success. That is one of the reasons Canada agreed to join Mexico and the United States in these negotiations.

In late April, in his first speech as Minister for International Trade, Michael H. Wilson said that the Canada-United States Free Trade Agreement (FTA), the MTN and North American free trade talks "are complementary, not competitive.... They flow from the same reality, the same logic, the identical requirements for access to larger markets that sustain our competitiveness and build our prosperity."

The decision to participate in the negotiations was not taken without an examination by the

government of the opportunities a NAFTA would contain. The benefits of an agreement are expected to be threefold. First, it will equip Canadian industry to be more competitive on the North American continent and beyond. The bigger market will allow Canada to achieve new economies of scale and specialization. Second, the Mexican market itself will be open to Canadian industry. Though Canadian trade with Mexico is relatively light at present, amounting to little more than \$2 billion both ways, the Mexican market is poised for expansion because of the strong, free-market reforms of the government of President Carlos

Mexican President Carlos Salinas (left) and Prime Minister Brian Mulroney in Canada's House of Commons.

Salinas. Finally, a NAFTA will help Canada remain an attractive place to invest. Investing in Canada will mean automatic access to all three continental markets.

In promoting the proposed agreement, Wilson said that the more competitive an economy is, the better able it is to trade. And trading successfully in a highly competitive world encourages disciplines that strengthen the economy at home. If successful, the North American free trade negotiations will make a significant contribution to the competitiveness of the Canadian economy.

A Nobel Achievement

Dr. Richard Edward Taylor, a native of Medicine Hat, Alberta, has become the first Albertan and sixth Canadian to win a Nobel Prize.

Dr. Taylor's Nobel Prize in Physics will be shared with two other physicists for their work on a series of historic experiments between 1967 and 1973 at Stanford University in California. The experiments proved that matter is made up of basic building blocks called quarks.

The significance of the discovery has become more apparent with every passing year and is now regarded as the most important discovery in twentieth century subatomic physics.



P.M.O./ Bill McCarthy