

if we did not get a binding dispute settlement mechanism. But more fundamentally we were prepared to walk away if there was the risk of a threat to our sovereignty, to our culture, to our social fabric and services, or to our ability to assist the regions in their own development.

The Free Trade agreement is very much part and parcel of this government's national agenda. We came to office in 1984 with a clear mandate for economic renewal and for national reconciliation. We did both. Since September 1984, more than 900,000 jobs have been added and employment growth in this country has been second to none. Output growth in Canada in 1986 and in the first half of 1987 was the strongest in any major industrial country in the world. Free trade will ensure that this trend not only continues but that the environment within which our economy grows gains the stability of access which is essential for further progress.

With the Trade agreement, we've not attempted to dictate to Canadians a new way of life. We have responded to the needs of this country. All Canadians know that one Canadian job in three is directly related to trade. What we have done is to look at the country and to decide that the mutual confidence and trust between the people and the government of this country called for boldness, called for imagination, not at the margins of our foreign policy, but at the heart of one of our most fundamental relationships.

This courage is reflected in all of our foreign policy. We have accepted the burden of interdependence. We have assumed its risks and pitfalls. We have taken up its challenges. At the same time we have confirmed the independence of our policy, the sovereignty of our actions and the freedom of our thought. Some argue that in signing a free trade agreement with the United States we have undermined our future. I say that we have freed ourselves from the past, a past characterized by uncertainty, restrictions and recurrent failures to abide by the rules of international trade. The future may always carry an element of bet. Immobilism guarantees economic, intellectual and moral recession. As the Prime Minister said before to the Canadian Exporters' Association, "We are talking about a more united people, in a more prosperous land, eager to face together the challenges of a new decade and a new century."

About a year ago I was speaking in, of all places, the Empire Club in Toronto. I referred to the danger of a renewed attitude in the United States of the kind that brought the Smoot-Hawley Act in the 1930's. Today, I can speak of a victory of the forces of trade liberalization against the forces of insularity.