

A closer relationship with the United States does not of course mean an end to our problems. We have different systems and different views - including as has been made clear again on vital questions like acid rain. And we have our own priorities.

Perhaps the greatest challenge to our prosperity and to our recovery is the protectionist sentiment that is growing around the globe.

Because over 70% of our trade is now with the United States, continued access to the U.S. market must be our number one trade priority. The numbers are there. There is now a vigorous debate across Canada on just how we should pursue this objective. The fact that proposals are beginning to be received from the private sector is in my judgment a healthy sign, and I hope that there will be many more responses of that kind.

I ask you to look at our situation this way. We've just scraped through with narrow escapes from proposed United States actions to place new restrictions on imports of softwood lumber, imports of steel and copper. Imagine the consequences just for a moment, if the United States decisions in those key Canadian fields had gone the other way. We already have one and one half million Canadians out of work. How long can we continue to rely on the existing rules, on diplomatic efforts and on the balance of U.S. domestic forces to keep open the vital access the export-oriented economy of Canada needs to survive and to prosper?

The key is that this country has to be able to compete. No amount of isolation will protect the uncompetitive. We are in the midst of a global economic and technological revolution, and if we are not able to compete with the best then we will inevitably fall behind.

As a trading nation, Canada needs to promote freer trade. We have to examine the options. We have to weigh the costs, weigh the advantages. We have to strike a balance that enhances Canadian interests. Our goal is an open multilateral system. But what better place to look first than to our own backyard with our predominant trading partner.

There are important questions to be asked in this quest and I would welcome views from Canadians generally in helping us to get the right answers. To list just a few of the questions:

- What are the major obstacles or threats to market access facing Canadian exporters and to what extent can these be addressed through a bilateral agreement