

Let me give you a Canadian perspective on why a North American free trade agreement is good public policy.

In the past decade, Canadians have become increasingly aware of the importance of international competition. We have learned that our future well-being requires that we gain more open and more secure access to foreign markets.

But even more importantly, we have learned that we need to take steps to maintain and secure access to our own market. We have learned that if you cannot compete at home, you cannot compete abroad. We have learned that we need to develop a stronger, more outward-looking domestic economy.

Canadians have long been used to the benefits that flowed from the export of resources. We are now learning the extent to which we must also be competitive in the manufacturing and service sectors. We can no longer afford to shield our more vulnerable sectors from international competition. We are getting to know the pitfalls that result from sheltering the domestic economy from the realities of the global marketplace.

Canada's future prosperity demands not only that we buy and sell goods and services at world prices, but that we attract new foreign investment to Canada. We need to develop the corporate and governmental linkages that pave the way to future trade and guarantee access to the most up-to-date technology.

And we need to ensure that Canadians remain among the most skilled and knowledgeable workers in the world. Meeting these challenges will ensure that Canadians will continue to prosper.

With these goals in mind, the Government of Prime Minister Brian Mulroney introduced a comprehensive program of economic renewal in 1984. By liberalizing markets, encouraging foreign investment, improving fiscal performance, reforming taxes, modernizing competition laws, privatizing crown corporations, strengthening intellectual property protection and streamlining economic regulation, the Government sought to make Canada a more hospitable place in which to do business.

Negotiating freer and more open trade with Mexico is part and parcel of that program. By liberalizing access to our market within the confines of a mutually beneficial set of rules, we want to encourage Canadian producers to restructure and become more competitive. Hand in hand with the rest of the Government's economic program, trade