

steel brought into our markets from subsidizing countries for sale at practically any price.

The close integration of our markets makes Canada-U.S. steel trade unique in the world. This trade, along with our steel trade with Mexico — our other new NAFTA partner, needs to be differentiated from steel trade with other countries. We not only share a market, but it is the least subsidized and most open steel market in the world.

This is the context in which both the Government and the industry in Canada have consistently emphasized our view that trade remedy actions by any of the NAFTA countries against steel imports from any other are counter-productive and make no commercial sense.

We do recognize, however, that the process of integrating our markets and adjusting to increased international competition is not always easy. We recognize that appeal to trade remedy laws can be attractive. However, these do nothing to promote progress, innovation, efficiency, or competitiveness — things we need to face in global competition.

If you agree with me that our increasingly integrated market, enhanced by the establishment of a North American Free Trade Agreement, should provide for an increase in the free flow of goods among all three partners, then I hope you will take the next logical step and agree that the trade policy in North America should reflect the new economic environment.

Fortunately for all of us, recent developments have provided a number of opportunities to conclude new North American trade rules for all industries, including steel.

We can start by ensuring that the historic achievement of the Uruguay Round of the GATT is fully realized, not only in legislation but in practice as well. The Agreement is an important step towards basing all trade on a shared set of rules. Common respect for those rules is the foundation for the level playing field that we must achieve.

The changes to trade rules under the new World Trade Organization are helpful in many respects. However, the World Trade Organization is not the best forum to address the use of anti-dumping in a free trade agreement.

When Canada joined the United States and Mexico in the NAFTA last January, we did so on the understanding that our three countries would join together in two working groups, one to look at questions of subsidies and the other at anti-dumping in a free trade area. The NAFTA trade remedies working groups provide our three countries with an ideal opportunity to resolve concerns in these two areas. The working groups are looking for solutions