

Through multilateral action, chemical weapons have been banned following 20 years of painstaking negotiations. Progress is being made toward better control of biological and toxic weapons.

Finally, let me turn to our commitment to the expansion of Canadian trading opportunities. There is a strong link between democratic development, and market reforms in other countries, and our own economic prosperity.

Let me illustrate. Three years ago, Canada joined the OAS and has been politically active throughout this hemisphere as a member of this organization. The move toward democracy with some setbacks -- in virtually all of its member states -- has been mirrored by strong economic growth in the region and by strong growth in Canada's commercial links with these countries.

For example, our exports to Argentina have increased by 79 per cent in the first eight months of 1992; by 22 per cent to Brazil; by 21.5 per cent in the Central American countries; by 96 per cent to Colombia; and by 108 per cent to Mexico. I do not have to remind you that this growth means jobs for Canadians. To the extent that political instability were to threaten democracy in these countries, it would threaten a strong source of growth for Canadian jobs.

In other areas, Canadian firms have made significant moves into the emerging markets in the countries of the former Soviet Union and in Central and Eastern Europe. Once again, our continuing efforts to promote stability will provide major benefits to Canada.

One in every four jobs in Canada is trade related, and every billion dollars in new exports generates 15,000 new jobs. The importance of creating stable markets around the world, and of eliminating trade barriers among those markets, leads to direct benefits here in this country and in this city.

That is why we remain committed to free trade with the U.S., to the North American Free Trade Agreement (NAFTA) and to a successful conclusion to the GATT Round.

There is no question that a trade war between the U.S. and Europe would be a devastating setback to the prospects for GATT and hence to world prosperity. The effects would be felt very quickly by everyone in this room.

Canada is well positioned not only to survive but to excel in this new world of the 1990s. With the lowest rate of inflation among the Group of Seven (G-7) countries, declining unit labour costs, improving productivity growth and favourable monetary conditions, all the economic fundamentals are right for Canada to succeed in a competitive world.