Now, with the NAFTA firmly entrenched, with the Uruguay Round finally concluded and the new World Trade Organization coming into being, it is time to confront our fears, and to address the issue in a meaningful way.

It makes absolutely no economic sense to apply traditional trade remedies in the integrated marketplace we have created in North America.

At one time, the economic world was a lot different. A national border was quite recognizable. There were good reasons and practical methods for excluding products that were unfairly priced. In our own House of Commons, one of my early predecessors pointed out that "dumping is an evil and we propose to deal with it."

But that was 1904 — and we've come a long way as a country, as a continent, and as a global trading network since then!

The old rules may have been appropriate for us when the North American market was not integrated. The rules were developed when producers were generally based in one country, where production functions were simpler, where multinational inputs to products were rare, and where markets for products were distinct.

Today, most producers approach North America as a single, integrated market. Companies make their sourcing and production decisions on that basis. And it is common for products to cross borders in various states of completion, often several times.

Trade within the NAFTA is also very different from traditional forms of offshore trade. It entails product rationalization and just-in-time delivery within a regional market, rather than large, uncontracted shipments.

Governments must now reflect these new realities in their measures to deal with inappropriate pricing behaviour. And governments already have instruments that they can use, ranging from combines legislation to competition laws.

Let's look for a moment at how the present anachronistic use of trade remedies can distort or disrupt modern North American markets, with substantial costs both to you and to your customers.

Take, for example, the common business practice of offering a product at a standard price, no matter where it is delivered in the United States. Companies allow for transport costs in their overall pricing strategies so that the price of a computer or of a box of cereal is the same in San Diego as it is in Bangor. That is an acceptable business practice in the United States — as it is in Canada.