



# Statements and Speeches

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No. 85/11

## **CANADA/USA TRADE NEGOTIATIONS**

Statement by the Right Honourable Brian Mulroney, Prime Minister, to the House of Commons, Ottawa, September 26, 1985.

Mr. Speaker, I rise to inform the House and the country that I have today spoken to the President of the USA to express Canada's interests in pursuing a new trade agreement between our two countries.

We hope that this action will lead to negotiations for a new trade agreement between the USA and Canada. I have asked the President to explore with Congress their interest in pursuing these negotiations. Both sides recognize that the issues are complex. Both sides are determined to see the process move as expeditiously as possible.

The President and I will be meeting in the spring of 1986 to review progress as well as the prospects for a new agreement.

Honourable members will recall that at Quebec City six months ago, President Reagan and I made a declaration on trade in goods and services. We pledged to explore all possible ways to reduce and eliminate existing barriers in our bilateral trade. We instructed the Minister of International Trade and the President's trade representative to report on how trade could be enhanced between our two countries. Today I indeed will table the minister's report to me on this vitally important subject and it will surely be made public.

Throughout our history, trade has been critical to Canada's livelihood. Now, almost one third of what we produce is exported. Few countries in the world are so dependent on trade. And trade simply means jobs. And yet our share of world trade has been declining. This trend ultimately threatens the jobs of many Canadians and the living standards of the nation as a whole.

We must confront this threat. We must as a nation reverse this trend. To do so, we need a better, a fairer, and a more predictable trade relationship with the USA. At stake are more than two million jobs which depend directly on Canadian access to the USA market.

Five decades ago the world was in the midst of the Great Depression. Restrictive trade policies made things worse. Canada and the US were the first to respond to the strong protectionist pressures of the time. They began the process of tearing down these obstacles to growth. Canada and the US indeed concluded a bilateral trade agreement in 1935.

More countries joined them in 1938 and the principles underlying the Canadian-American bilateral agreement formed the foundation of the postwar multilateral trading system.

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