

[*Translation*]

The removal of trade barriers with Mexico, together with the opening up of the market achieved under Canada-United States free trade agreement will give us access to a dynamic market of 360 million consumers.

NAFTA will open the Mexican market to Canadians as never before. Tariff barriers, import licences, investment restrictions, trade balancing requirements and other barriers to Canadian exporters of goods and services will be removed.

• (1115)

Mexico already enjoys relatively open access to the Canadian market. In fact, almost 80 per cent of Mexican goods now enter Canada duty-free, so today we have effectively one-way free trade.

[*English*]

The improvement in market access under the NAFTA is much greater for Canadian goods going to Mexico than for Mexican goods coming to Canada.

In terms of trade barriers, Canada is dismantling a picket fence, whereas Mexico is hauling down a high stone wall.

In agriculture, we realize significant new opportunities to serve the growing Mexican market for food of all varieties, from fish and processed foods to apples and barley.

In transport, trucking firms and bus operators will have new access to Mexico.

In financial services, Canadian banks will be able to make major investments in the Mexican markets and this has already started with the Bank of Nova Scotia and the 5 per cent investment it has in one of the important Mexican banks.

For Canada's high technology industries, the immediate removal of Mexican duties on telecommunications equipment will provide a major opportunity for this highly competitive sector. They cannot wait to get into Mexico. I remind you of the comment by a representative of Glenayre Electronics Ltd. who said: "The NAFTA cannot come soon enough for us".

The NAFTA will eliminate the Mexican trade restrictions in the automotive sector which have been major

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impediments to the sale in Mexico of Canadian vehicles and auto parts. This will set right the current imbalance whereby, in contrast to Mexican restrictions, around 90 per cent of Mexican automotive exports enter Canada duty free.

I have time to mention only a few examples of these opportunities created by opening up the Mexican market to Canadians, but whether it is urban transportation equipment, pollution abatement and monitoring technology or oil field services and equipment, the opportunities we have negotiated for Canadians are numerous.

[*Translation*]

Improving the FTA was another of our objectives in developing NAFTA. We strengthened the system for settling trade disputes. We made the rules of origin clearer and more predictable. This will mean that disputes over the full North American content of Canadian built Hondas should be a thing of the past.

Disciplines in the agreement will help ensure that standards are not used as disguised protectionism.

Canada won expanded access to the U.S. market for textiles and apparel by negotiating special quotas that are higher than in the FTA. This will permit Canadian textile and clothing makers to further expand their export sales, which have already increased substantially under the FTA. Canadian apparel exports have increased by 150 per cent since the FTA was implemented; Canadian fibre exports have also grown by 90 per cent. Canadian exports of fabrics and other textile products show an increase of 50 per cent. NAFTA will provide even greater headroom for growth.

[*English*]

We also strengthened energy provisions through the NAFTA and obtained stronger disciplines on U.S. regulators from interfering with freely negotiated contracts between Canadian exporters and U.S. buyers.

• (1120)

We negotiated a very attractive government procurement deal and for the first time suppliers of Canadian building materials will have competitive access to U.S. and Mexican government construction contracts. For the first time Canadian service providers will have access to U.S. and Mexican government service contracts.