

I know that the President is committed to keeping trade channels open. I share that commitment. Central to Canada's trade policy is a commitment to an open multilateral trade regime. We will continue to support a multilateral system and trade liberalization. We will work through multilateral organizations to keep the world trading system open. Protectionism poses a serious threat to world recovery and to international stability. It must be opposed, in your Congress and in our Parliament.

The government has given notice of its intention to address these issues, and their implications for Canada, in documents to be made public over the coming months. Canadians have some important, even historic, policy choices to make in the near future, and these choices will be the subject matter of public discussion led by the government.

The maturity and self confidence of our country make it possible for us now to confront issues in a realistic manner, and to examine options that a few years ago produced emotional reflexes that made rational discussion difficult. Nowhere is this more true than on the subject of our bilateral relations with the United States. The US has been and will be the dominant market for our exports.

By 1987, some 80 per cent of Canadian exports to the US will be duty free. Yet there remain some significant tariff barriers and a growing array of non-tariff measures which impede bilateral trade, including US buy-American provisions.

Proposals for attacking these barriers have included sectoral free trade arrangements, a variety of private sector recommendations for trade enhancement and secure market access. I exclude none of these from consideration.

Our desire to examine all approaches for closer economic co-operation with our major partner stems from a prudent and pragmatic judgment about how and where interests vital to Canada's economic development can best be served. We seek trading arrangements which provide fair but also secure access to the US market, unfettered by initiatives aimed at problems caused by other countries but inadvertently hurting Canadian companies.

Our status as a North American nation is a source of strength. We are mature enough as a nation and confident enough in ourselves to recognize this reality and to take pride in an amicable relationship with a neighbour as powerful as the United States.

The message to prospective foreign investors in Canada is the same message we send to our trading partners: a world economy more open and interdependent is in Canada's interest and every nation's interest. We want an environment conducive to dynamic growth in trade, investment and development on a global basis.

One immediate contribution to the creation of this climate is to change the Foreign Investment Review Agency. My government has just introduced legislation, the specific purpose of which is to close down the old agency and to put in place a new body called Investment Canada, whose mandate will be to encourage and facilitate investment in Canada. Only those foreign investment proposals that are of