

Ladies and gentlemen:

Tomorrow I am leaving for Mexico for further negotiations toward a North American Free Trade Agreement (NAFTA). I will be meeting my counterparts, Mexican Commerce Secretary Jaime Serra and United States Trade Representative Carla Hills. This may constitute the final Ministerial session of these negotiations. By Monday, we may have agreed to the main elements of an accord to establish a new free trade area that includes all of North America.

If we are successful, I will be proud to return to Canada to explain the achievement to Canadians and recommend its approval to my Cabinet colleagues, and to Parliament later this year. The NAFTA we want will be a significant step forward in the government's efforts to strengthen the rules of international trade and to win new markets for Canadian goods and services.

If we are not successful this weekend, it will be because there is still work to do. We are not bound by any deadline. If the talks must continue for several months, that poses no difficulty for the Canadian government. Our desire is to obtain an agreement that will be good for Canadians.

A little more than a year ago, we embarked on these negotiations. I outlined Canada's objectives in a speech to a Financial Post Conference on North American Free Trade on April 25, 1991 in Montreal. Those objectives were clear then. We have pursued them consistently throughout the negotiations, and we have adhered to them. A successful agreement will clearly encompass them.

We wanted to expand our markets in Mexico, a growing economy of 85 million people and a springboard to the rest of Latin America. Through the NAFTA, there will be substantial and tangible benefits for a range of Canadian exporters. With these opportunities they will be able to make new business plans that will involve expansions of their payrolls.

We wanted to strengthen further our trading relationship with the United States, without in any way reducing Canadian benefits in the Canada-U.S. Free Trade Agreement (FTA). Key for us, as I said in my speech of April 25, was that Canada would not let the United States get through the back door of the NAFTA what it could not get through the front door of the FTA. We have not deviated from this promise.

We wanted also to ensure in the NAFTA that investors would be able to serve all of North America from a Canadian base. We wanted to ensure that investors locating in North America would not simply choose the United States, which they would if the U.S. had separate agreements with Canada and Mexico. We wanted instead to have an integrated market where each country could compete for investment on an equal footing. We also wanted