

Our economic prosperity has always relied upon a strong export sector. Nearly one third of our GDP is related to trade and no country in the industrialized world has more interest than we do in a vibrant and thriving world trading system. The small size of our domestic market, our capital needs and the importance of continued access to new technology leave Canada no choice but to be open to the world.

But our economic growth and well-being are also critically dependent upon a stable and secure access to the U.S. market. Our trade with the U.S. has grown faster than with any other area, including Europe and Asia, despite recent, very significant progress in these two continents. Simply put, Canadian business has taken advantage of the booming U.S. market on our doorstep.

That increased importance of the U.S. market made it imperative that we enhance our security of access and that we put ourselves in a position of strength to deal with the changes that transform the world trading system.

This is what the Free Trade Agreement is all about.

That Agreement is part and parcel of our multilateral approach to trade. Because we rely so much on trade, we would have most to lose from any withering away of multilateral rules, a great deal to gain from strengthening that system. That is why Canada plays such a leading role in the Uruguay Round of Multilateral Trade Negotiations.

At the same time, the Agreement puts us in a position to capitalize on our unique location and key relationship with each of the major trading areas of the world and to work towards building bridges between them.

Today, the FTA is a reality and the challenge now is to make this great instrument work, to respond to the opportunities it presents for the private sector.

The FTA mechanisms are in place and functioning as anticipated. Appropriate steps have been or are being taken on dispute settlement, adjustment and sectoral strategies. Key decisions on trade support program in the U.S. are being implemented.

Earlier this week, federal and provincial Ministers responsible for Trade met in Ottawa to prepare for the future. Thorough consultations with the private sector were one of the principal reasons for the success of the negotiations, and we will rely on the ITAC and the SAGITs to help us ensure effective implementation.