

These statistics demonstrate the magnitude of the thriving trade relationship between our two countries and the need to enhance it.

You might ask, "With the Canada-U.S. Free Trade Agreement and now the NAFTA in place, aren't we doing the right things to promote that relationship?"

My answer to you would be, "Yes - for the most part."

The last time I was in Chicago, for instance, I was with my U.S. counterpart, negotiating about Canadian wheat exports to the United States.

The upshot of these negotiations was that Canada agreed to a one-year export restriction. This was a bruising experience, agreed most reluctantly under the threat of unilateral action under Section 22 of the U.S. Agricultural Adjustment Act - a provision that has since disappeared.

We value our trade with the United States in wheat and wheat products. How could we agree to a rollover of the restriction for a further year, as some in Congress are suggesting? Would it not be making a temporary restriction permanent? How would this fit our free-trade relationship?

We intend to continue to work with the U.S. administration to find trade-liberalizing solutions to resolving this issue.

We are optimistic that the results of the joint commission on grains will make an important contribution to this effort.

There are other areas, however, where we still have a long way to go. Despite the successful conclusion of the free-trade negotiations, we have failed to deal fully with one of the most menacing weapons in the arsenal of protectionism, and in so doing, we left a rather large skeleton in the closet.

I refer to the issue of trade remedies - anti-dumping and countervailing duties. Although we have created the world's largest trade relationship - one in which the vast majority of our two-way trade flows without impediment - we have faced a number of corrosive trade disputes that reflect, for the most part, the triumph of selective sectoral, domestic and political interests over national interests.

In most instances, these disputes have been nourished by a regime of trade remedy laws whose application has not been adjusted to the realities of a free-trade area.