

products get preferential access to the U.S. and Mexican markets. Backing this up are improved customs procedures, which will help Canadian exporters at both the U.S. and Mexican borders. Another benefit is the access Canadian companies have gained through the NAFTA to tens of billions of dollars of U.S. and Mexican government procurement -- sales that were completely closed to them before the NAFTA.

Secure, guaranteed access to the world's largest market plus the advantages of a highly skilled and educated work force make Canada a winner for investors. Canadian exporters will find themselves able to compete with American producers on a more equal footing as new opportunities unfold in markets across North America. That gives investors more reasons than ever to choose Canada.

The Parliament of Canada, recognizing the NAFTA's benefits to Canadians, has already approved the legislation to implement the Agreement. This was the step that now allows Canadian business people to go ahead and plan to take advantage of new opportunities in the United States and Mexico opened up by the NAFTA.

In the meantime, we are negotiating side agreements to improve co-operation in environmental and labour matters as a complement to the NAFTA, which already goes beyond any other trade agreement in dealing with these important areas. Canada welcomes the opportunity to offer better protection to workers and the environment. In fact, back in April 1992 during the NAFTA negotiations, Canada proposed the establishment of what is now being described as the North American Labour Commission. Of course, all three countries agreed last August to establish a North American Commission of the Environment. We are pleased that our partners now recognize the merits of our proposals.

Canada wants to strengthen and increase co-operation, not confrontation, among all three countries. That is why we cannot support the use of trade sanctions to enforce these agreements. We believe that sanctions create the kind of trade barriers that the NAFTA is designed to eliminate.

Next week, Canada will host another round of negotiations on the side agreements. The government has been taking labour and environmental leaders into our confidence in these negotiations, and we have been consulting with them closely every step of the way. I believe that strong and effective side agreements can be achieved, and we are working toward that goal.

Our trade policy since 1985 has pursued Canadian objectives along two tracks: regional trading arrangements through the Canada-U.S. Free Trade Agreement and the North American Free Trade Agreement, and multilateral trade agreements through the GATT.