

to develop a mutually satisfactory deal involving the same overall balance of NAFTA rights and obligations that current members achieved back in 1992. Despite the high quality of Chile's economic management in practice, the NAFTA requires the codification of our trade relations as well as better and more secure access that is clearly demonstrable to our traders and investors. There is nothing preordained about success. Rather, success will require hard commitments as well as creativity at the negotiating table.

Third, we are at the beginning of the hemispheric free trade debate. The degree of commitment remains by and large untested, including that of some of the bigger players in Latin America. The sooner we can push towards a negotiations stage, the sooner we can judge the seriousness of the proposition. The initial signs are reasonably positive, but the real tests lie ahead of us.

One thing, however, is certain. Success will improve market access in the hemisphere for Canadian and Latin American traders and will remove distortions in investment patterns. Success will cement Latin America considerably nearer the centre of Canada's economic diplomacy. And success in the Americas will be noticed elsewhere and, consequently, will help to create trade liberalization momentum across both the Pacific and the Atlantic sooner rather than later. The greater the likelihood of success with hemispheric free trade, the greater the demonstration effect globally. This global impact would represent the ultimate and greatest success of what we have now begun to seek in the Americas.

Thank you.