

It has been suggested that "political diplomacy" is giving way to "economic diplomacy." If Canada is to remain a significant player in an international arena characterized primarily by the interplay of economic forces, we must define a more strategic, less universal niche in the affairs of the international community. More than ever, trade policy is about positioning Canada in the global economy so that we attract the high-value-added, high-technology industries and jobs of the future.

The key to developing an effective trade strategy for Canada is to begin to identify more precisely our national priorities, both regionally and sectorally, based on a much clearer assessment of where our economic interests lie. In practical terms, this means working directly with our export sectors to determine key market priorities. And it means using all of the policy tools at our disposal -- multilateral, regional and bilateral -- to achieve clearly set out objectives. In an ideal world, trade liberalization would occur multilaterally on the broadest possible range of fronts. Unfortunately, we are dealing with an imperfect, changing world. We must be prepared to wield a whole array of trade policy instruments to reach our market access goals.

Mr. Speaker, I want to set forth what should be our three objectives in the near future. First, we must begin to define our regional priorities. Europe is still a central market for many Canadian exports and an important source of investment capital; we shall continue to pay close attention to the transatlantic market. For its part, the U.S. market -- and the successful management of our trade relations with our neighbour -- is fundamental to Canada's economic prosperity. But we must also recognize that the highest growth rates and most exciting new market opportunities are in Latin America, and most especially westward across the Pacific to Asia. Moreover, it is in many of these emerging markets that Canadian exports will enjoy a strong comparative advantage and major growth opportunities in the years ahead -- stronger than we enjoy in the markets of Europe, or even in the United States.

How can we secure further access to traditional markets while actively expanding our economic links with high-growth markets overseas? The central focus remains the multilateral trade framework, which provides the foundation, so to speak, upon which our trade policy is constructed. For this reason, we are committed to promoting an early start to the work of the new World Trade Organization (WTO).

Called into being by the recent Uruguay Round of the GATT [General Agreement on Tariffs and Trade], the WTO is largely a Canadian proposal that completes the post-war trade and payments system in the best traditions of Canadian foreign policy. We shall actively encourage the international community to elaborate a forward-looking work program that reflects Canadian interests as well as the new trade issues -- especially trade and the environment and the possibility of replacing anti-dumping regimes