

negotiating better and more open access to markets in other countries in return for improved access to ours. We shall also do so by agreeing collectively, as sovereign nations, to put into place arrangements to bind the behaviour of each and every one of us. In so doing, we shall all stand to gain as we shall create a more stable, predictable environment in which investors, traders and consumers will have confidence that what is done today will not be undone tomorrow, next month, next year, or three years from now.

To achieve this, as you know, the Government of Canada is simultaneously undertaking an unprecedented set of two major trade negotiations. We are preparing to enter into negotiations with our principal trading partner, the United States, for the purpose of substantially freeing up the restraints on international trade that still exist between us. At the same time, we are actively preparing -- in conjunction with our trading partners around the world -- for a major new round of global trade talks to further liberalize international trade and to improve, collectively, our respective trading practices. More precisely, we are pursuing a bilateral approach to achieving our trade policy objectives with the United States while simultaneously pursuing a multilateral approach to achieve our objectives with all our trading partners. As the Macdonald Commission, amongst others, pointed out in coming to precisely the same conclusion, these are not contradictory approaches: they are consistent and will be mutually reinforcing.

Let me explain why. Our bilateral initiative with the United States will, of course, involve our seeking the greatest benefit for Canada. To attain this, we will be negotiating on issues such as further tariff reduc-

tions between our two countries, less rigid government purchasing practices by both federal and provincial/state authorities, better understandings on the use of subsidies and countervailing duties, and improved arrangements with respect to the rapidly expanding services area.

However, our relationship with the United States also gives us very severe problems which no one, least of all those of us in this government, underestimate. Throughout this set of trade negotiations, we shall be balancing the opportunities that we see for Canadians, for all our regions, for all sectors, against the costs. If it's not a good deal for all of Canada, then there will be no deal.

While undertaking this major bilateral initiative with our large neighbour, this government has been in the forefront of those nations pushing for a new round of global trade talks. These are now approaching rapidly. The multilateral trading system, in which the majority of countries around the world agree to certain disciplines and rules over their own trading behaviour in exchange for similar behaviour on the part of others, is the cornerstone of Canada's trade policy. It has been so in the past, and will continue to be so in the future.

Our challenge, as Canadians and as a major trading country, is to ensure that enough countries remain committed to the open trade system that our export opportunities in those areas of the world where we trade, or where we wish to trade, are secured and expanded. We also want to have a say about when and what trade issues are discussed and what the ultimate rules that will govern our trading relationships with others, and theirs with us, will be.