

lower more trade barriers and tighten some of the loopholes in the GATT system. This morning I met with Trade Minister Saleh and we discussed our mutual interest in some of the issues that will be on the table for negotiation. I also confirmed Canada's willingness -- indeed, desire -- to act as host for the Ministerial Conference which will begin the negotiating process. We have suggested the ceremonies be held in Montreal in September.

Canada is deeply committed to the rejuvenation and expansion of the multilateral trading system. We see the next round of trade negotiations as vital to this objective. It is our view that the new trade round must address the concerns of developing countries -- and, therefore, that Indonesia and other ASEAN countries must be very much involved in developing the agenda for the talks.

To prepare for the next round, Canada has already begun a process of consultations with our trading partners around the world. In November of last year, my Assistant Deputy Minister of Economic and Trade Policy met with his counterparts here in Indonesia. And this morning in my meeting with Mr. Saleh, I gained a better appreciation of the Indonesian Government's concerns and interests.

Both Indonesia and Canada can benefit immensely from more open world markets. This is certainly true in the areas of natural resources and agriculture, where we have common interests in securing access to the markets of Japan and Western Europe. We also share interests in achieving greater discipline in the use of contingency protection measures -- such as countervail and safeguard actions -- and in improving GATT's dispute settlement system. My hope is that Canada and Indonesia can collaborate in these areas of common interest

throughout the negotiating process, just as we worked together on the Law of the Sea Treaty. By working together, we enhance our bargaining leverage.

I believe many of you are aware of the initiative that Canada and the United States have taken to negotiate a new bilateral trade agreement. Some of you may even be concerned about it, perhaps fearing that it will divert our attention from our other trading partners.

I assure you that it will not.

Let me go into this a bit. The United States is by far our biggest market. It takes three-quarters of our exports, which makes it a customer we must pay attention to. And of course we are paying attention to it. We have proposed -- and the U.S. administration has wholeheartedly endorsed -- that we undertake a round of wide-ranging bilateral trade negotiations. The matter is now before Congress, and we expect the negotiations will get underway in late spring or early summer, and that they will last a year and a half or two years.

At the same time, I must stress that we have no intention of putting all our eggs in one market basket. Our trade interests are global, not simply "continental". Any agreement we conclude with the U.S. must also meet our obligations to our other trading partners and to the GATT. It would not make sense for either of us to sign an agreement that would in any way discourage our trade with the rest of the world.

Indeed, you may be aware that the negotiations with the U.S. are not the only major initiative Canada is undertaking. We have another one, as well, and that is the development and expansion of two-way trade with the countries of the Asia-Pacific region. In