

United States faces an enormous trade deficit and the Congress is responding to demands for action. The U.S. trade laws are also being used more frequently. As a result, Canadian exporters have had restrictions placed on literally billions of dollars worth of exports, and we face the threat of new action against our exports.

In light of the U.S. market's overwhelming importance to us, we are seeking a new trading relationship. The timetable for these negotiations is shorter than that for the GATT Negotiations. We will have to decide by this October whether to initial a draft agreement.

This agreement will be fully consistent with the GATT. Indeed, we hope that it will serve as a model for new GATT codes in areas such as services, intellectual property, and trade-related investment.

We also believe that it will lead to a wealthier, more competitive Canada, a development which will benefit all our trading partners.

I referred at the outset to Canada and Australia's close cooperation in multilateral trade negotiations as an important aspect of our relationship.

We are working together to promote a better international trading environment for a range of commodities in which we are each other's major competitors, such as wheat and coal. Just prior to my visit here, senior officials from my former Department of Energy, Mines and Resources, met with their Australian counterparts to exchange views on international minerals issues.

Meetings like these also remind us that Canadian and Australian companies have worked together to develop resources in both countries. Of course, investment, joint ventures and other forms of industrial cooperation between Canada and Australia are by no means confined to the resource sector. I couldn't help notice that a well-known Canadian beer, Fosters Lager, is also sold here in Australia.

This common outlook on the world is reflected in the support which we lend each other in a range of initiatives from the Cairns Group, to negotiations in the UN and to cooperation in the Commonwealth.