

Of course, some critics have argued that the FTA, and now the proposed NAFTA, mean that we are turning our back on the GATT and the multilateral trading system.

This simply is not the case. And, in fact, the best rebuttal of that charge was offered by the Director General of the GATT, himself. In a speech in Rio de Janeiro last August, he said:

Multilateralism and regionalism can co-exist; better, they actually reinforce one another.... The founders of GATT never thought to place global and regional approaches to trade liberalization in opposition but considered them to be two sides of the same coin.

On the multilateral side, we, of course, are disappointed that the Uruguay Round of negotiations has drawn on for so long. We won't meet the March 1 deadline that we had been aiming for. However, I am certain that all the parties involved in the negotiations are acutely aware of the positive impact on the world economy that a successful conclusion of the Round will have. We need that impetus now, and we need it for the future.

At the same time, I believe we in Canada should be glad that we have preferred access to our by-far-biggest market, the United States, and coupled with that access, a dispute-settlement process that has well and truly proven its value.

Less than halfway through its implementation period, the FTA has already increased Canada's trade potential, created a positive climate for our exporters and established enormous opportunities for foreign investors in Canada.

When world economic growth slowed to only one per cent in 1992 -- the lowest rate since 1982 -- Canada's third quarter 1992 exports were up by more than six per cent from a year earlier.

Obviously, the FTA had a big role to play in that success.

On January 15, we got the preliminary trade figures for November 1, 1992 and they show that our winning trend is continuing. Here are the facts:

Merchandise exports to the U.S. continued to drive the growth in total exports. Exports to the U.S. increased by \$65 million in November to \$10 billion, a record level of exports to Canada's largest trading partner.

Exports to the U.S. for the first 11 months of 1992 increased by 11.9 per cent to \$110.3 billion, while imports grew by 10 per cent to \$94.9 billion. The cumulative 11-month trade surplus with the U.S. was \$15.4 billion, which was \$3 billion or 24.1 per cent above 1991 levels.