

Mr. Chairman, ladies and gentlemen:

It is always a great pleasure to meet with representatives of Canada's vital private sector. When it comes to building business, working with customers, developing new markets and creating jobs, the Chamber of Commerce knows where the rubber hits the road. The Chamber is an influential voice when it comes to shaping this country's trade policies -- both internal and external. Your input here in Ontario, the nation's most productive province, and Toronto, Canada's financial capital, is a force to be reckoned with.

I am therefore pleased to share some thoughts with you today on the North American Free Trade Agreement (NAFTA), knowing full well that my words will fall on receptive ears. I will address specifically the issues of what is in the Agreement for this province, outline briefly the new Access North America initiative and show how this will help you take advantage of the opportunities the NAFTA will bring, and offer you some insights into the supplementary agreements that are being negotiated. Last but not least, I will touch briefly on another set of negotiations -- this time internal -- that are designed to remove the barriers that hinder trade within our own country.

As you know, we had three basic objectives when we decided to participate in the North American Free Trade Agreement (NAFTA): first, to improve our access to the dynamic, fast-growing Mexican market; second, to build on, and improve upon, the Canada-United States Free Trade Agreement (FTA); and third, to secure equal footing for Canada along with the U.S. and Mexico in competing for investment in North America. We have met all these objectives in the NAFTA.

The NAFTA will open up Mexico's growing market of 85 million consumers to Canadians like never before. Tariff barriers, import licences, investment restrictions, trade balancing requirements and other barriers to Canadian exporters of goods and services will be removed.

For Ontario exporters in particular, the NAFTA offers solid benefits. Let me briefly show you how.

The auto industry -- both automobile and auto parts makers -- has been rightfully described as the engine that drives Ontario's manufacturing economy. It is also the province's leading export sector. Mexico has the continent's fastest-growing automobile market. Under the NAFTA, it will eliminate within 10 years its protectionist auto policy, offering important new opportunities for sales to that country.

Ontario's machinery producers also stand to gain from the NAFTA. Mexico relies heavily on imports to meet its capital goods requirements, and Canadian products are already well accepted among Mexican buyers. As Mexico continues to develop