

absolutely critical that we support the goal of an open world economy based on respect for the rule of law in multilateral trade.

We view the General Agreement on Tariffs and Trade as the door to development through trade - as the critical link between the 3 megaeconomies of North America, a Asia Pacific and the European Community.

I recognize that such a commitment to multilateralism might sound contradictory in light of our bilateral free trade agreement with the United States. But there is no contradiction. For the FTA is an agreement linked tactically, strategically, substantively and psychologically to our objective of a more open world economy.

As a matter of tactics, the agreement helped prevent a rise in damaging protectionism between Canada and the United States. And we believe it strengthened our negotiating position in the ongoing Uruguay Round of multilateral negotiations.

Strategically, the agreement secured better access to a world scale market - a decisive response to Canada's age-old problem of market size. It lowers barriers to trade in value-added products and services - barriers which have long been obstacles to our development as a value-added economy. And in lowering these barriers, it increases our attractiveness as a location for world-scale manufacturing facilities - a gateway to the North American market for Asian and European manufacturers.

Substantively, the agreement is firmly based on the concepts and principles of the GATT - in technical standards, procurement, export and import restrictions and elsewhere.

But perhaps most importantly, the Free Trade Agreement is a psychological watershed in our nation's history. For it signals a new, outward-looking and more confident Canada.

Far from signifying a retrenchment of Canada into a Fortress North America mentality, this bilateral agreement is truly a stepping stone for our producers to offshore markets. For it increases our ability to seize the opportunities in freer trade around the world - to participate in global developments from a position of strength.

Now, during our second mandate, we intend to build on that initiative by promoting a global orientation for our traders.

One action which symbolizes that global thrust is our decision to change the working name of Canada's Department of External Affairs. Henceforth, the Department will be called "External Affairs and International Trade Canada." (And) we will be launching a corporate identity program later on during October - our Export Month. The reasons for this change are two-fold: first, to constantly remind Canadians of the importance of international economic relations in the conduct of our foreign policy; and second, to ensure our exporters understand who and where to call in Ottawa for export assistance.

A second action will be our constant and continuing focus on the Uruguay Round of multilateral negotiations. Indeed, we believe it is no exaggeration to state that the continued health of the world economy depends on the progress we make in the current Uruguay Round.

Consider, for example, the link between agricultural trade reform and international finance reform which is being pursued by the many Asia Pacific nations in the Cairns Group. One of the benefits of agricultural reform would be higher returns to the LDC's for their exports,