

# The Road Ahead

The NAFTA is of course not a static agreement. It has created a living, breathing framework for managing current and future priorities in the North American marketplace. Beyond the economic sphere, the NAFTA has stimulated a stronger sense of community and shared interests among the North American countries, which in turn has fostered enhanced cooperation in areas such as education, science and technology, indigenous peoples and youth.

Canada will host the next meeting of the NAFTA Commission - marking the fifth anniversary of the NAFTA - in April 1999. This will be an ideal opportunity to evaluate the impact of the Agreement over the first five years, assess the ongoing and multi-faceted work program, and chart the way forward. As the NAFTA countries begin to develop a common vision for the North American trade policy framework heading into the new century, our early experience with the NAFTA and emerging challenges and opportunities will shape Canadian priorities.

Among them:

- ensuring the continued smooth implementation of the NAFTA, with particular attention to the few areas where we have slipped behind in our commitments, such as in respect to certain land transportation services;
- reviewing the investment chapter of the NAFTA, Chapter Eleven, to see if we can be more explicit in our common understanding of certain provisions, particularly those related to expropriation and compensation (the aim being to ensure that the provisions are interpreted consistently and in the manner intended by the parties, not to amend or renegotiate the NAFTA in any way);
- exploring areas that were either not fully addressed in the NAFTA or where further progress or even a different approach may be possible - this could include, for example, prospects for greater cooperation in respect to the use of trade remedies, or in making North American technical standards regimes more compatible and less trade-distorting;
- evaluating the impact of rapid technological change on the North American marketplace, so that new ways of doing business such as electronic commerce are fully reflected in the NAFTA rules;
- seeking greater openness and transparency in the NAFTA institutions across the board, both to demystify and broaden public understanding of the NAFTA and to ensure that the work program is as relevant and responsive as possible to those it is intended to serve; and
- exploring opportunities for greater cooperation in the development and interaction of our trade, labour and environment policies, so that the goals of trade liberalization, sustainable development and enhanced respect for workers' rights are pursued in a mutually reinforcing manner.

As we look back over the first five years of the NAFTA, there is little doubt that the Agreement has served Canada exceedingly well. As is clear from the foregoing, however, much remains to be done. Implementation of the NAFTA remains a work in progress, and the rapidly changing nature of the North American marketplace requires continuous adaptation to ensure that new priorities are addressed and that the "rules of the game" remain current and relevant. Canada will be working with its NAFTA partners in the period ahead to ensure that the Agreement remains the vital, state-of-the-art instrument its architects intended. This will solidify Canada's standing as one of the world's premier trading nations with a dynamic, well-diversified and globally competitive economy.