

cent among Canada's trading partners. Canadian trade experts and business leaders generally agree that the new trade rules will greatly enhance Canada's international competitiveness in key growth areas of the economy. Canada will be better able to reach important markets for exports in sectors such as agriculture, lumber, mining, aviation and telecommunications technologies, and for a growing range of services. In addition, the new rules will protect Canadian intellectual property rights in such areas as computer software, books and films. As well, Canadian supply management programs in dairy and poultry production are protected.

The World Trade Organization

Putting the Uruguay Round agreements into practice over the next several years will produce a more robust international trade regime. A permanent World Trade Organization (WTO) will be set up by January 1, 1995. It will function on the basis of existing GATT institutions and will add a number of new committees. The new body will contain an improved dispute settlement mechanism. There will also be a new policy review system. Both these measures are widely expected to strengthen the enforcement of new and existing trade rules.

For Canada, one of the most trade-dependent countries in the world, the success of the Uruguay Round of Multilateral Trade Negotiations was vital, not only in terms of expanded access to markets and stronger trade rules and institutions, but also to further domestic growth and employment.

Achieving these objectives depends on the recognition of two immediate priorities: passing effective laws in national legislatures, and building a strong WTO to replace the GATT Secretariat.

First, the 124 governments that signed the Uruguay Round's Marrakesh agreement on April 15, 1994, must quickly pass laws to put it into effect. Canada, which played a major role in developing the WTO, wants an institution that is seen to encompass the interests of all nations.

Second, Canada is urging its G-7 partners to ensure that the WTO is strong enough to take the world into the 21st century and to counter the pressures created by economic uncertainty and protectionism. As well, a smoothly functioning WTO is essential to completing unfinished negotiations in areas such as financial services, telecommunications, and governmental procurement.

The increasingly integrated world is driving the new trade agenda. This integration extends to the way in which the major multilateral institutions should function. The creation of the WTO completes the original vision of the Bretton Woods postwar reconstruction effort — a vision of a system of rules, practices, and multilateral institutions to promote the smooth functioning of the world economy. It will be important that the WTO, the International Monetary Fund, the World Bank and the Organization for Economic Co-operation and Development co-operate and complement one another within their own areas of responsibility.

Canada is the 32nd-largest country in the world in terms of population, but it is the world's eighth-largest importer and eighth-largest exporter.



"No nation was ever ruined by trade."

Benjamin Franklin



The World Trade Organization embodies the realization that trade and investment are global activities — and that's new and important."

Minister for International Trade

Roy MacLaren, 1994