

distinguish between the effects of FTA and other (in this instance, GATT) decisions.

An auditable list of changes to government procurement effects would include details, by commodity and government purchasing segments, on purchases in both those price ranges affected by the FTA, as well as others. Distinction between competitive (affected by the FTA) and non-competitive bids would be important. Ideally, this information base would also attempt to estimate the degree to which procurement prices have been affected at the margin. It would also be useful to record the number of challenges, if any, that occur.

Information on a catch-all of provisions affecting specific commodities, while likely of small overall effect, will be important to specific sectoral concerns. These include provisions affecting used autos, used aircraft, lottery-related printing, payments for use of over-the-air transmission, and effects of changes in the Canadian Income Tax Act that allow deductibility of advertising expenditures in U.S. newspapers and periodicals. Similarly, provisions affecting financial institutions would seem to require documentation, including whether Canadian banks under U.S. federal law receive national treatment, and what has happened with respect to U.S. ownership of financial institutions in Canada.

The collection of information on the temporary movement of people under FTA terms is warranted and should have links with measures of business performance, it having been argued that this provision would provide a relatively strong (for Canada) impact since previous inhibitions to movement were considered to be mainly those of the U.S.

The number and details of direct and indirect investments affected by the FTA should be documented, and likely contrasted to non-U.S. investment flows.

Interpretation of the effects of institutional provisions will be difficult, but documentation of what has occurred, and its contrast with performance, in say, the period since 1980 (i.e., under the rules established at the GATT Tokyo Round) would seem to be warranted. Since some part of the "security of access" benefits to Canada follow from these, linkage to investment performance (including that of establishments owned by Canadians, Americans and other foreigners), and the nature of the investment (indicating specialization, scale of production, etc.) would be required if a test of expectations is to be carried out.