

## VI. SOME HARD QUESTIONS

However you approach the question, trade policy poses challenges to Canada.

- In terms of **governance**, the federal government is concerned about maintaining its ability to regulate in the public interest. Provinces share that concern, especially as trade negotiations have begun to address areas under provincial or shared jurisdiction. While taking notice of these concerns, Canada must negotiate with one voice if it is to be credible and effective.
- Of concern to Canadians in general are **values** issues such as labour and human rights, or environmental protection. Addressing these in negotiations demands flexibility.
- In **economic terms**, we face a crunch when negotiations involve sectors benefiting from protection. But certain sectors provide benefits that cannot be reduced to solely economic terms: consider culture, health care, public education or environmental management. Trade policy must not nullify the right to regulate in support of policies essential to Canada's identity and future.

