

of trade law can co-exist. In 1970, the British Parliament passed the European Communities Act and, although the relationship between Great Britain and its European partners has on occasion been rocky, British lawyers and judges have reconciled parliamentary sovereignty with the regulation of trade by the European Union. Through a wise, practical and jurisprudential approach, the British have demonstrated that Western democratic traditions are fully consistent with supranational regulation of trade.

Canada is taking some steps toward strengthening the rule of international trade law ourselves. For example, the NAFTA provides for investor-state dispute settlement, under which a foreign investor may itself invoke international arbitration directly against its host government to enforce the rules of the treaty. Final awards in such matters are given direct application in domestic law. And the pending negotiations concerning the OECD's proposed Multilateral Agreement on Investment may well draw on this example, providing as it does a powerful counterweight to special interest lobbying by obviating the need for companies to politicize disputes.

Another step in strengthening the enforcement of rules has been increasing the role of domestic authorities in enforcement. With more and more areas of domestic economic regulation now disciplined to some extent by international rules, so too more and more provisions of domestic statutes have their genesis in an international treaty. And both the NAFTA and the WTO set out a range of enforcement procedures to be implemented domestically: bid challenge review procedures for procurement; civil remedies for trade-related intellectual property matters; procedural requirements for the conduct of trade remedy proceedings, to name just a few. Domestic fora are, in effect, being asked to act as agents to enforce the international rules.

I have talked about creating a "WTO Plus" - a framework for liberalized trade among countries willing to go farther than all have been able to go to date, to go farther in regional groupings such as Asia-Pacific or the Western Hemisphere pending additional global rules. But the WTO Plus is also about controlling the incredible power surge created by trade flows and plugging it into the multilateral generator. Proper enforcement of international trade rules therefore serves the best interests of all trading nations. And, with many of the rules already agreed to, the step towards effective enforcement need not be as traumatic as many would make out. Indeed, it flows naturally from all that we have accomplished to date. Both domestic and international rules and rule-makers can work together, can learn from each other and reap the benefits of trade. As Canadians, we are particularly well placed to assist in the construction of a new WTO Plus architecture. We have always been committed to the overarching ideal of the rule of law, both within and among nations. And, as a small country open to the world through the tremendous percentage