

time, WTO membership is clearly in China's interests, which the Chinese leadership has recognized by pursuing membership in the Organization.

The negotiations on the eve of the establishment of the WTO late last year did not succeed. They fell short of their objective for a number of reasons, but in general, although China has implemented extensive economic reforms, the Chinese system is still not as open or as transparent as WTO membership requires.

It is a worthy adage, tried but true, that anything worth doing is worth doing well. That is why Canada and fellow WTO members are prepared to work hard to see that the accession negotiations eventually succeed on terms satisfactory to all. Canada was encouraged by the progress made at, and since, the resumption of negotiations in May.

I should note that in approaching these talks, the Government of Canada has depended heavily on the advice provided by the private sector. As in all our trade negotiations in recent years, the Sectoral Advisory Groups on International Trade have played a key role in devising our market access goals.

On the accession negotiations governing market access issues strictly between Canada and China, we are seeking improved access for goods of particular interest to Canada, ranging from – but not, I stress, limited to – newsprint to road graders to power-generating equipment. On the services front, we are currently focussing on providing wider access to China's financial and advanced telecommunications services markets.

These negotiations take time. They must be approached with care. China may, for example, offer a lower tariff on wholly manufactured widgets.

But on close examination, negotiators discover that the right to import such widgets is restricted to only a few enterprises or that a quota applies or that a sanitary or safety requirement – perhaps not justified – erects an impenetrable barrier. Any of these measures are trade-distorting. They must be measured against the benchmark of WTO rules to determine whether they are compatible with these rules. This process is a complex one. But we must get it right. Ultimately, the terms of accession must provide the degree of fairness and predictability expected by all.

There is still a long way to go. Additional talks are scheduled for November. We look forward in time to a result that will mean more certainty for business and a freer flow of goods and services with the Chinese market. We continue to examine closely the ways in which the Chinese trading regime is still