

other roadblocks to trade.

- by promoting Canadian success stories (eg. in science/culture etc.)
- by increasing funding for joint research projects in technology, Canadian Studies etc.
- by increasing Canada's visibility/independence in foreign policy and international relations (e.g.: the Prime Minister's statement on Kyoto, Canada's role in the creation of NATO).

As well, it was recommended that more Canadian global engagement will be of interest/value to Europeans (eg. at the UN, Arctic Council, OAS, Commonwealth/Francophonie etc.).

Trade

Canada-Europe relations are weakening because of the self absorption in Brussels (regarding integration and enlargement). From a trade and business perspective, Canadian visibility in Europe is low, and Canada is even viewed by some as a satellite of the U.S. Others see Canada's value as primarily an access point to the American market.

Likewise, for Canada, certain traditional links with Europe have weakened. Trade with our major trading partner, the U.S., is far more important, constituting 82% of our export market, than trade with all other countries combined. While Canada's transatlantic trade with Europe has increased in absolute terms, in proportionate terms it has decline relative to trade with the U.S.

Nevertheless, while our economic future is with the U.S., we don't want to be in the position of adopting policies made in Washington. Consequently, we need to strengthen links with Europe, including improving trade relations.

The adoption of a single currency in the European Union removes a large barrier to trade and EU enlargement (through its expansion Eastward) creates and impressively large and coherent market. Such a market may constitute an advantage to some Canadian business by offering niche opportunities for particular industries, but may also create an impetus for some Canadian businesses to leave Canada to set up operations in Europe.

Certainly, the EU's regulatory approaches and competition policies create barriers for Canadian business. There are divergent views on how best to reduce such barriers and promote trade: whether by pursuing a Trans Atlantic Free Trade Agreement with the EU or by focussing on the WTO negotiations, or both. Policies need not mean only formal government policies: industry associations and civil society can also engage with Europeans. It was also noted that trade, and the negotiation of trade agreements, can serve political purposes as well as (and sometimes more than) economic purposes. Finally, while governments can put policies in place, perhaps through the negotiation of free trade agreements, it is ultimately business decisions that create trade patterns.

Nevertheless, the Canadian government has a significant role in facilitating and promoting trade with Europe, and this cannot be left only to individual businesses. Much of the debate focussed