

any one of a number of forms, but should be designed to ensure that Canada has a voice in the decisions that have a fundamental effect on the Canadian economy.³⁴

Ideally, an independent Joint Committee would be formed and charged with the task of interpreting and applying the FTA. The Committee could both

- apply specific rules in the FTA (for example, determine whether an economic program was of a "type" listed in the FTA), and
- interpret the general principles on subsidies in the FTA to determine issues not covered by a specific rule.

Through its decisions in individual cases, the Committee would establish a body of interpretation that would provide the needed guidance and predictability for both

³⁴ There have been several failed attempts to improve the dispute resolution mechanism in the GATT. If an effective mechanism could be created as part of a Canada-U.S. FTA, some might suggest -- and others might fear -- that it would then be viewed as a model for the GATT. However, it seems that the U.S. Government would be likely to concede more decision-making authority in the context of a bilateral agreement with a close ally such as Canada than it would in the context of a multilateral agreement. For this reason, it would probably be advisable to characterize any proposal concerning bilateral dispute resolution as a unique method to be used by the United States and Canada in light of their uniquely close relationship, and not as a possible model for wider application.