

removal of structural disincentives such as internal trade barriers and ownership restrictions.

Business sees global engagement as an engine for innovation. In addition to active participation in multilateral trade, debt and environmental discussions, business associations are calling for Canada to demonstrate a renewed commitment to international development. They argue that development assistance alone is not sufficient for poorer countries to grow and prosper, and that greater trade and investment are vital tools for any society that wishes to advance. In their view, the momentum for further liberalization can be maintained only if the international trade and investment system brings demonstrable benefits to the world's poorest. While some business sectors in Canada are wary of the greater competition that could arise because of better market access for poorer countries, most embrace liberalized trade both as a public good and as a boon to consumers because of the resulting choice, variety and greater competition. The philosophical embrace of global engagement therefore spans many disciplines. For example, one facet of the current debate over the implementation of the Kyoto Protocol on climate change is the need and opportunity for our industry to adopt innovative climate-friendly technologies, innovations that can also lead to credits through the mechanism of participation in international projects reducing greenhouse gas emissions in developing countries (for more on this, see the Canadian Clean Development Mechanism/Joint Implementation Office site at: www.dfait-maeci.gc.ca/cdm-ji/menu-e.asp).

The Canadian business community also shares the desire of many Canadians for better governance in the world trading system and its regional offshoots. Much of the Canadian private sector is paying much closer attention to how it interacts with the communities in which it operates, at home as well as abroad. Many firms, operating alone, with business associations or with other stakeholders, have established formal mechanisms for transparency, accountability, social and environmental reporting, and community engagement. They are also focusing on operationalizing international norms in areas such as human rights, labour rights and environmental protection. Having an