

such as through amendments of laws related to labour and other areas. In this context, this group summarized that there was a high expectation for a Japan-Canada FTA among the Japanese companies in Canada.

*(iv) A Canadian Group*

A Canadian group identified the conclusion of a Canada-Japan FTA as one of its top three priorities, the others being the Social Security Agreement and the Tax Treaty. The group argued that consumers in the two countries would benefit greatly through lower prices, better services, more choices and better use of tax money. An FTA would promote entrepreneurship, innovation and job creation among small and mid-sized companies. The group felt that an FTA would open markets to new goods and services, promote competition (e.g. by reducing costs through tariff savings), promote innovation and increase flows of people between the two countries. It would also help bring about increased transparency in public procurement and bidding practices, along with better pricing of services such as banking and insurance products. The group also emphasized Canada as an FTA partner, including Canada's dynamic markets in labour and capital, its very efficient and strong economy, and a politically stable environment backed by a well-developed financial system.

*(v) Japanese Expert A*

An economist suggested that, while in the past the WTO played a central role in liberalizing world trade, the WTO function to harmonize world trade rules has come to its limit, and in the future this role would shift to bilateral or regional FTAs where countries share common interests and have a mutual understanding of the nature of liberalization between them. Concerning agricultural products, he indicated that in many cases it is difficult to show Japanese farmers the merits of liberalization