

A busy year for trade

During the past year, the Canada-U.S. Free Trade Agreement (FTA) was signed and its implementation begun; a new trade-development strategy was adopted; and Canada played an active role in the multilateral trade negotiations (MTN) under the General Agreement on Tariffs and Trade (GATT).

Canada's trade-policy efforts are geared to securing Canada's place in the international trading system and improving access to world markets. In support of these goals, Canada is active in the full range of trade-policy work of the Organization for Economic Co-operation and Development and other multilateral organizations and groups. Trade in agriculture, services, and commodities and surveillance of trade-policy developments in member countries were the focus of Canadian efforts.

FTA: Signed, sealed and being delivered

Following the entry into force of the Canada-U.S. Free Trade Agreement, External Affairs and International Trade Canada established a unit that has a specific mandate for implementation of the FTA: the Free Trade Policy and Operations Group which forms part of the department's U.S. Branch. This group has more than 60 experienced trade-policy people who are providing policy advice and assisting Canadian businesses in all aspects of FTA implementation.

Mechanisms have been established to ensure regular consultation with the provincial governments and with the private sector. The Committee on the Free Trade Agreement, composed of senior federal and provincial officials, provides the

provinces with regular access to senior federal officials on FTA issues and ensures that regular consultation takes place. The Minister for International Trade has also undertaken to consult his provincial counterparts prior to annual meetings of the Canada-U.S. Trade Commission. As far as private-sector consultation is concerned, the International Trade Advisory Committee and the Sectoral Advisory Groups on International Trade, which were first established during the FTA negotiations, have been continued both for FTA implementation and for consultations and detailed advice on the multilateral trade negotiations. The government has been meeting these groups on a regular basis.

Regulations required to implement the FTA have been passed and published in the *Canada Gazette*. Among the areas covered by the new regulations are rules of procedure for binational panels, a code of conduct for panellists, and regulations on cable retransmissions.

As far as border procedures are concerned, information campaigns by Revenue Canada and Employment and Immigration Canada have helped to ensure that FTA implementation has been smooth.

The FTA provides for binational dispute settlement, including the possibility of panels, when required. Rosters of panellists have been established for review of countervail and antidumping cases (Chapter 19) as well as for other disputes concerning the provisions of the FTA (Chapter 18). The areas in which disputes have arisen thus far include agriculture (red raspberries and pork), alcoholic beverages (wines and spirits), fish (salmon and herring, salt cod), intellectual property (cable retransmissions rights), manufactured goods (paving equipment parts, induction motors, plywood), and textiles and clothing (woollen fabrics).