

North America is gaining increasing international attention," said Mr. MacLaren. "I plan to build on this interest during my trip. Clearly, transatlantic trade and investment liberalization would be beneficial for Europe and North America and would provide an impetus for further global trade liberalization."

## STATEMENTS

We all agree that our first priority is to build a strong and effective WTO [World Trade Organization] to oversee the operation of the multilateral trading system. We are clearly not there yet. What is required is much more than additional resources to fulfil an expanded mandate. We need the commitment of governments — in particular the governments represented around this table — to renounce measures which are inconsistent with the new rules. We need a commitment to rely on the new dispute settlement procedures — rather than retaliation — when negotiated solutions prove impossible. Most important, we need to marshal the political will to move the agenda forward, to tackle the new issues, to deepen and strengthen the overall system.... A comprehensive plan for further trade liberalization should include the following elements: first, successful completion of the current negotiations on services, beginning with financial services. If we are to succeed, countries represented here will need to make specific efforts to improve their offers in the services sector as a whole so as to create the conditions for a liberal, MFN [most-favoured-nation] regime for financial services under the WTO. Secondly, our decision this week to launch negotiations of a high standard agreement on investment is an important step. Global investment flows have grown dramatically. An agreement which is open to non-OECD members will strengthen the multilateral trading system. We should invite the WTO Secretariat to observe the negotiations. We should begin informal discussions in Geneva with non-OECD countries to lay the basis for decisions in 1996 to include investment in the WTO work program....The OECD must take the lead in advancing the frontiers of trade liberalization and be prepared to challenge, through rigorous analysis and debate, those who oppose moving forward. A priority for the OECD must be further study and research focussed not just on the economic benefits of liberalization but on the costs of protection — from border tariffs to anti-dumping measures, to export subsidies. We should turn the argument against further liberalization on its head — what are the costs of status-quo protectionism? What are we forgoing in terms of lost employment and production? What inefficiencies are we needlessly leaving in place?

**Notes for an Address by the Honourable Roy MacLaren, Minister for International Trade, at the OECD Ministerial Strengthening the Multilateral System "Building on the Uruguay Round Achievements" (Paris, France, May 23, 1995, 95/33)**

In years past, Europe and North America played a central role in building the new multilateral trading system, culminating in the recently formed World Trade Organization. We have each pursued deeper regional integration, first in the European Union and more recently in the NAFTA [North American Free Trade Agreement], which has, in turn, contributed to trade liberalization in Asia, in Latin America and beyond. But today Europe and North America appear strangely paralysed, seemingly unable to see a clear path forward, yet conscious that globalization is rendering the status quo obsolete. The time has come to take the next logical step and construct free trade across the Atlantic. Already trade and investment flows justify a more structured economic framework — some \$250 billion in two-way trade, \$460 billion in investment, reflecting a combined transatlantic output of over \$2 trillion.... What is becoming clear is that we need a context — a forum — within which we can begin to give expression to our common desire to move the transatlantic relationship forward. We should consider forming a transatlantic Eminent Persons Group largely or exclusively from the private sector, to begin to develop a more detailed road map for the way forward. In Germany, Canada, Britain and the United States — to name but a few — there are already national groups at work exploring how the increasing momentum toward transatlantic free trade can best be channelled. An Atlantic Eminent Persons Group might begin to examine trends in trade and investment flows across the ocean — the outlook, say, for the medium term to the year 2000. The group could also identify tariff and non-tariff constraints that should be addressed by governments. And it should broadly identify priorities for future trade negotiations, including examining the gaps between existing structures or agreements. Such a grouping might report by June 1996 to a meeting of ministers or leaders representing Europe and North America — an Atlantic Summit — so that we can begin to discuss these issues around the same table.... If the Cold War era was shaped by a world divided, the new global order will be shaped by a world converging, oftentimes at a dizzying pace. This poses its own challenges as well as opportunities. The diffusion of economic power, the rise of Asia, the advent of great regional blocs — all are manifestations of a global system in which we are at once more interdependent and less cohesive. In this sense, the challenge we face in the post-Cold War era is not unlike the challenge that has confronted the international system in the wake of all great upheavals: how to create a sense of collective purpose — a unifying vision — in the absence of a unifying threat? After the Napoleonic wars, it was the Concert of Europe; after the Great War, the ill-fated League of Nations; after the Second World War, Bretton Woods and the United Nations system. What is to be the new architecture in the aftermath of the Cold War? Where is the glue?

**Notes for an Address by the Honourable Roy MacLaren, Minister for International Trade, to the Royal Institute of International Affairs "The Occident Express: Towards Trans-Atlantic Free Trade (London, England, May 22, 1995, 95/32)**

## OFFICE OF THE PRIME MINISTER

Physical activity and sport are deeply-rooted in Canadian culture: enjoying the stillness of a lake while paddling a canoe; joining in a fast-paced game of ice-hockey. Canadians know well the pleasures and rewards of active living. Physical activity and sport cut across differences in language and culture. This