

## Executive Summary

Canada must succeed in international markets. Our prosperity and standard of living depend on our ability to sell competitive products and services abroad, attract international investment and acquire global leading-edge technologies. Economic growth, fuelled by our international business performance, is also essential to restore Canada's fiscal health.

For most Canadians, however, Canada's success in international markets means one thing — jobs. Exports and investment are key instruments of job creation. Improving Canadian export performance is therefore central to the Government's jobs and growth agenda.

The priorities identified in this document are premised on four broad objectives: diversifying Canada's trade, technology and investment relations beyond traditional markets; building stronger partnerships with the private sector; encouraging more Canadian small- and medium-sized enterprises (SMEs) to become active traders; and improving co-ordination of federal and provincial international business development programs and activities. Ensuring that domestic and international business development policies and programs are mutually supportive is also essential.

### Trade Policy Objectives

#### GATT/WTO and the Uruguay Round

As a trade-dependent country, Canada must have secure access to foreign markets based on a strong international trading system. The General Agreement on Tariffs and Trade (GATT) has therefore been the cornerstone of Canadian trade policy.

Our most important multilateral trade objective is to ensure the effective implementation of the Uruguay Round agreements and to turn gains in access to world markets into increased exports and

job opportunities for Canadians. This will be pursued by working to ensure the establishment and effectiveness of the World Trade Organization (WTO) and improving co-ordination and co-operation among the WTO and major economic powers and other major international economic organizations. Canada will also pursue outstanding Uruguay Round negotiations and explore new initiatives that go beyond existing commitments. Further liberalization under the newly established General Agreement on Trade in Services (GATS) will be high on the agenda. In addition, Canada will work within the WTO and other trade and economic forums to address a range of "new" trade policy issues such as: trade and the environment; competition policy; investment; technology and information infrastructure; and government procurement.

Canada will also promote the negotiation and expansion of regional and bilateral trading arrangements that complement and enhance the international trading system under the GATT/WTO.

#### North American Free Trade Agreement

The Government believes that the North American Free Trade Agreement (NAFTA) will continue to generate new market and investment opportunities — and jobs — for Canadians. Deepening and broadening the NAFTA will therefore be an important objective. This will be pursued by seeking to extend the provisions of the NAFTA in critical areas such as trade remedies, trade in services, and procurement. The Government fully supports efforts to widen the NAFTA within the hemisphere, such as the accession of Chile to the Agreement. While promoting NAFTA accession, Canada will continue to build other institutional trade and economic ties with Latin America.