

another market by establishing a commercial presence in sectors in which countries have made commitments. The GATS also includes commitments by countries to accord non-discriminatory treatment to specified service industries where WTO Members have undertaken commitments. The GATS does not include investment protection provisions (i.e. the right to compensation in case of an expropriation) or investor-state dispute settlement. Certain investment-related obligations, notably the right of commercial presence for service suppliers, will be addressed in the context of negotiations mandated under the GATS.

Irrespective of the course of action that is chosen on investment, the Government is committed to safeguarding Canada's right to regulate and promote fundamental Canadian values in strategic sectors such as health, education, culture and environmental protection.

Investor Responsibility/Codes of Conduct

It is recognized that businesses have a responsibility to conduct their operations as good corporate citizens. Canada is party to the OECD Guidelines for Multinational Enterprises, a set of voluntary standards of conduct recommended by Member governments regarding the operations of these enterprises in OECD markets. The guidelines are currently subject to a review within the OECD Committee on International Investment and Multinational Enterprises (CIME), which is expected to be completed by June 2000. A number of Canadian companies have also signed onto the International Code of Ethics for Canadian Business, which outlines principles on community participation and environmental protection, business conduct and employees' health and safety.