

anti-dumping duties. The application of this approach to advanced technology sectors within North America should be actively explored.

Recommendation 9. Government Procurement

NAFTA Article 1024 calls for initiation of further procurement negotiations "no later than" December 1998. Canada should seek to advance the launch of these negotiations to put pressure on U.S. programmes that distort advanced technology development and ensure that these issues are also a central agenda item at the Singapore WTO Ministerial meeting in late 1996.

Canada should also seek access for Canadian industry to bid on:

- U.S. federal management and operations contracts for civilian departments and agencies, including the Department of Energy and power administrations
- U.S. federal research and development contracts for civilian applications, and
- U.S. federal research and development contracts for American small business.

Recommendation 10. National Security or Technological Protectionism ?

The blurring of "economic security" with the issue of national security is likely to become a growing irritant. Clearer, narrow definitions are required to determine legitimate security concerns of Canada's technology partners. While Canada's national technology policies should minimize the disruptive effects on trade and investment flows, they should do so only to the degree that others do likewise, particularly the U.S..

Canada has had a special relationship with the United States for defence-related R&D dating from the Second World War. In the past, these successful relationships, under MOUs, Agreements and exchanges of letters have provided special access to U.S. technology not enjoyed by other U.S. allies. These cooperative R&D and production successes should be built upon in areas of future economic/commercial interest.

Recommendation 11. WTO Monitoring of Bilateral Accords

Canada has a strong interest to ensure that foreign countries' discriminatory procurement practices are reduced. Moreover, Canada should insist that the WTO monitor all bilateral accords on government procurement to ensure that such accords,