

OBJECTIVES

For Canadians, the test of our foreign trade policy lies in whether the government can successfully improve market access for those sectors where Canadian production is or can be competitive and whether it can maintain current access available to Canadian producers. Private sector investment is a key to growth and job creation. In order to invest, Canadian producers need to be confident that they will have access to markets abroad.

For the United States market, Canada's objectives are to instill a trade and investment climate which would provide:

- ° security of access to the U.S. market, particularly by reducing the risks inherent in the U.S. system of restrictive trade measures, e.g. quotas, surtaxes, etc. and the constitutional powers of the Congress to pass protectionist legislation affecting Canada;
- ° expanded access to the U.S. market in order to provide Canadian industry with a market large enough to realize economies of scale and specialization and to carve out niches for specialty products;
- ° a stable North American trading system which would encourage an orderly transition in Canada towards an economy more competitive at home and in world markets and provide increased incentive for investment from all sources;
- ° an ordered and predictable system for managing the trade relationship and resolving disputes;