

tariffs should be eliminated. It also advises that the Government should show the flexibility to obtain accelerated tariff reductions whenever possible. The Government agrees with this recommendation as indicated above, and will attempt to have 10 years agreed upon as the maximum phase-out period, which is consistent with past practice, including under the WTO. In addition, the Government will press for immediate or early tariff elimination for products of export interest.

Agriculture

Recommendation 21

Recommendation No. 21 advises the Government to negotiate broader trade liberalization in agricultural products in the context of the WTO and to seek to obtain more concessions, more quickly, in the context of the FTAA. On August 19, 1999, the Government made public its negotiating position on agriculture for the new WTO round of negotiations. With respect to the FTAA, the Government will continue negotiations as scheduled and in a consistent manner with the WTO negotiations. It will do so with the objective of achieving access for Canadian agri-food products to markets of the other FTAA participants on terms more favourable than is likely to be possible in the WTO.

Services

Recommendations 22 and 23

The Government agrees with the Committee's recommendation that the FTAA services negotiations should be used to advance Canadian services export interests, taking into account domestic policy considerations and objectives. The Government is conducting extensive consultations to identify and assess specific Canadian interests in this regard.

The Government also agrees with the Committee that it should take an approach that would lead to the broadening and deepening of liberalization commitments in a manner consistent with Canadian trade interests and national public policy objectives. A sectoral approach is a possible way to meet these objectives.

