

The Government views the implementation of the WTO (a proposal originally advanced by Canada, together with the European Union) as a major priority. The establishment and effective institutionalization of the WTO (e.g. councils, committees, working parties, dispute settlement body, appeals tribunal, trade policy review mechanism) is critical to the effective implementation of the WTO agreements. Canada is therefore playing a leading role in the complex, detailed preparatory work required to get the WTO up and running. The Government will also work to improve co-ordination and co-operation between the WTO and the Group of Seven Leading Industrialized Countries (G-7), the Quadrilateral countries (i.e. Canada, the United States, Japan, European Union), and other important international economic organizations (i.e. IMF, Organization of Economic Co-operation and Development, World Bank).

- **Post-Uruguay Round Initiatives: Unfinished Business** — While implementation of the Uruguay Round results and the establishment of the WTO are important priorities, it is essential that countries maintain the momentum for trade liberalization by completing outstanding Uruguay Round negotiations and exploring new initiatives that go beyond existing commitments. In the area of services, there was agreement that negotiations should resume in a number of areas, such as financial services, maritime services, basic telecommunications, and temporary entry of personnel. The Uruguay Round also led to important reductions in tariffs and non-tariff barriers. Canada, however, believes that these reductions do not go far enough, and will be preparing new initiatives in the coming months, in consultation with the private sector. Areas in which further tariff liberalization could be pursued at an early date include: electronic and scientific equipment; non-ferrous metals; wood; wood products; oilseeds; and oilseed products.

For Canada, further liberalization under the newly established General Agreement on Trade in Services (GATS) is a key objective. Canada will also work within the WTO and other important trade and economic forums (e.g. the Quadrilateral Trade Ministers' Meetings, G-7 Economic Summit, OECD, APEC) to pursue other "new" trade policy issues aimed at maintaining the momentum of trade liberalization and eliminating "domestic" barriers to expanded international trade. Such issues include trade and the environment, competition policy, investment, labour standards, technology and information infrastructure, and government procurement.

- **Regional/Bilateral Trading Arrangements** — Canada will promote the negotiation and expansion of regional and bilateral trading arrangements that complement and enhance the international trading system under the GATT/WTO, with a view to further opening markets and improving the rules under which trade is conducted. Within North America, broadening the NAFTA and extending the Agreement to other potential NAFTA partners will be major priorities. Canada will also continue to give strong support to the Asia-Pacific Economic Co-operation (APEC) forum (see below). In the run-up to hosting the APEC Summit in 1997, Canada will emphasize "open regionalism" as the key to APEC's approach to building a more open and transparent multilateral trading system. In addition, the Government will pursue expanded market access opportunities with selected trading partners and will consider, in special circumstances, the negotiation of bilateral free trade agreements with individual countries.
- **Non-GATT Member Countries** — While promoting the negotiation of regional and multilateral trading arrangements that complement and enhance the international trading system under the WTO, Canada will