underway. In the other services groups, the initial discussion of principles is completed and the identification of barriers has begun. There is agreement to make a preliminary exchange of lists of barriers by September 18.

Initial work on <u>dispute settlement</u> has begun, including a review of how such mechanisms are structured in a variety of trade agreements.

The next stage of the negotiations will see the development of texts which may be exchanged by the end of October. These would be very preliminary documents, but they should help to focus and coordinate the discussions in the more specific negotiating groups.

On the Canadian side, individual working group leaders are also involved in the process of consulting with provincial governments, industry, academia and the general public. The activities of working groups have been incorporated into the already well developed mechanism of federal-provincial consultation on issues of international trade policy that was first established during the Canada-U.S. FTA negotiations and which has continued through the MTN. Consultations with industry and labour representatives will be primarily through the International Trade Advisory Committee (ITAC) as well as in the Sectorial Advisory Groups on International Trade (SAGITS). Individual working groups are also in close touch with other industry, labour and consumer interest associations in order to allow as wide a degree of consultation on the NAFTA negotiations as possible. Private sector input into the negotiations has been solicited by the Canadian negotiators. ¹

Mr. John M. Weekes
Chief Negotiator
Office of North American Free Trade Negotiations (OTTN)
Department of External Affairs and International Trade
Lester B. Pearson Building
125 Sussex Drive
Ottawa, Ontario
K1A 0G2

^{1.} Correspondence should be directed to: