



GOVERNMENT RESPONSE

Introduction

The Government thanks the members of the Standing Committee for their excellent work leading to the May 2002 report entitled *Building an Effective New Round of WTO Negotiations: Key Issues for Canada*. The Committee's work is an important part of preparing Canada for future trade negotiations at the World Trade Organization (WTO).

Since the Doha Declaration, substantive work has begun in all negotiating and work program areas. A rules-based, non-discriminatory multilateral trading system creates solid economic opportunities within Canada as well as the rest of the world. This type of system also promotes a climate for prosperity, democracy, justice and social stability worldwide. By continuing our cooperative dialogue throughout this round of the negotiations, Canada can achieve, together with our partners, an outcome that will create a more level playing field for trade among Member countries and allow us to achieve our global economic, political, social, and sustainable development objectives.

Our prime objectives for the agriculture negotiations are to eliminate export subsidies as quickly as possible, to substantially reduce or eliminate trade-distorting domestic support, and to significantly improve market access for all agriculture and food products. For non-agriculture market access negotiations, we are seeking the reduction or elimination of tariff and non-tariff barriers. We seek improvements and clarification of the Dispute Settlement Understanding in support of effective dispute resolution under the trade agreements. As part of the negotiations under the General Agreement on Trade in Services (GATS), and in accordance with the June 30 deadline, Canada has already submitted its market access requests to other countries for their consideration in the services negotiations. As we consider other countries' services requests to Canada, we have made it clear in unequivocal terms that the Government preserves its policy flexibility in health, public education, culture, and social services. Indeed, Canada has not and will not negotiate its public education system or its health system, social services and culture, and will safeguard its right to regulate in areas such as safety, the environment, and natural resources management. This new round of negotiations will also allow Canada to further promote the coherence agenda, particularly on the relationship between environment and trade.

With the needs of developing countries at the heart of the Doha Development Agenda, the new round of WTO negotiations gives trading nations the opportunity to strengthen the existing institution through fuller and more effective participation of all

