

New rules and disciplines on sanitary and phyto-sanitary measures will improve prospects for exports of many Canadian agricultural and forest products.

The reduction and harmonization at lower rates of tariffs for chemicals and chemical products will improve access to world markets, especially in Asia and Latin America, for our producers concentrated in Alberta, Saskatchewan, Ontario and Quebec.

Sectoral free trade for pharmaceuticals will result in lower import costs and improved market access, and will enhance exports to offshore markets particularly from Quebec and Ontario.

Improved protection for intellectual property will enhance prospects for investment and for research and development.

The Canadian communications and electronic equipment industries concentrated in Quebec and Ontario will benefit from the substantial reduction of tariffs in important industrialized markets. Software and computer services exports will be facilitated by the agreements on services and trade-related intellectual property.

Canada has many strengths in the services sector that will benefit from increased global market opportunities brought about by the new General Agreement on Trade and Services, or GATS. Services in which Canada is competitive internationally include various professional and management consulting services, technical testing, financial, computer and environmental services, telecommunications, air transport, tourism, commercial education and training, health-related services, geomatics, maintenance and repair, and services incidental to agriculture, mining, forestry, energy and manufacturing.

Increased clarity and discipline in the use of multilateral trade rules, particularly countervailing duties, as well as more effective dispute settlement mechanisms, will provide greater security of access for Canadian products in many markets. Canadian products that have in the past suffered harassment from countervail actions, and which can expect more secure access as a result of the agreement, include lumber, fish, pork and magnesium.

In addition, new rules on subsidies provide for the possibility of taking action against subsidized products that displace Canadian products in foreign markets, including those of the subsidizing country. These provisions could be of benefit to Canadian manufacturers of civil aircraft and ground transportation equipment, steel and steel products and other sectors that have been heavily subsidized by foreign governments.

As a country that stands to benefit greatly from these agreements, Canada has insisted that our principal partners fully implement their Uruguay Round obligations by legislating them into their domestic law. We have paid particular attention to the U.S. implementing legislation. The government has been in frequent touch with the U.S. authorities at the highest level to urge them to ensure that U.S. legislation faithfully reflects the international agreements. We are satisfied that the United States legislation adopted by Congress on December 1, while not absolutely perfect, does substantially implement the Uruguay Round of agreements.

The government has also reviewed the European Union and Japanese implementing bills and has made representations to the European Union on certain detailed provisions of its legislation. We are satisfied that the EU and Japanese legislation substantially implements their obligations.

At this point in time, some 40 countries have completed the domestic legal procedures necessary to ratify and implement the WTO agreement. The director general of the GATT estimates that some 70 governments, including all of Canada's principal trading partners, will have completed their legislative procedures in time to bring the agreements into force and to establish the new World Trade Organization on January 1. It is important that Canada play its part and give a clear signal to the world community that we intend to complete our domestic procedures and implement these agreements into Canadian law in time for the January 1 start-up.

Honourable senators will note that Part III of the bill provides that the Governor in Council will bring this bill into force only when satisfied that the WTO agreement is in force. Of course, the WTO will enter into force only after all the important trading countries have adopted the necessary implementing legislation.

Canadians understand that our domestic market is too small to generate alone the level of prosperity we enjoy. It behooves Canada to make a contribution to the functioning of the international trading system proportionate to our interest in the system itself. That is why Canada played a key role in the negotiations that led to the agreement to establish the World Trade Organization; and that is why we are now playing a leadership role in the complex, detailed, preparatory work required to get the WTO up and running.

We are committed to completing, as soon as possible, the unfinished work of the Uruguay Round in such areas as government procurement and financial and telecommunications services. We are also committed to beginning work on the new generation of trade policy issues, including such matters as the relationship of international trade to the environment, competition policy investments and labour standards. We intend to help shape the agenda and basic concepts at an early stage so that future negotiations will advance Canadian interests.

Canada's economic strength now and in the future will depend fundamentally on our willingness to stay on the leading edge of free trade, to take an active and creative role in forging new relationships and in building new structures that, over time, can extend the reach of a rules-based international order. The multilateral system centred on the World Trade Organization will be the foundation of that international order, but it is not the only element of what is, and must be, a complex and constantly evolving order.

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Canada cannot wait for the international community to provide the institutions and mechanisms that will ensure our economic security. Multilateralism, while remaining our first option, cannot remain our only option. For Canada, this means taking a yet more active and creative role in forging new relationships and in building new structures that, over time, can extend the reach of rules-based trade.