

# THE CANADA/U.S. FREE TRADE AGREEMENT IMPLEMENTATION STATUS

Presented by: Don Campbell

Good morning, ladies and gentlemen. It is a great pleasure to be with you this morning to participate in this conference on "Opportunities and Challenges - Making Free Trade Work." I would like to commend the Business Council of British Columbia and the other sponsors of the conference today for your initiative in bringing together this group. I'm sure from the quick reading of the program I have had, particularly the panel discussions this afternoon, that we will all go away with a much better reading and a better sense of specific ways in which you can take advantage of the challenges and the opportunities that we do have before us.

My particular task, as I see it, is to bring you up to date on the implementation of the Canada-U.S. Free Trade Agreement itself by the Government of Canada and where appropriate commenting on the Government of the United States as well. I must say it is a real pleasure to engage in a dialogue on implementation after a very lengthy, a very important, a very controversial debate over the last couple of years on whether or not we should proceed with the Free Trade Agreement. It is here, and it is real. We must all get ourselves on with it. We must set ourselves up tactically and strategically to take advantage of the opportunities and the challenges, as the title of your conference suggests, within the new framework the FTA provides.

We are now into the hundredth day of the FTA and there is a temptation on the part of some to try and provide a report card on the success or failure of the FTA, a somewhat American approach if I do say so. I will resist that temptation this morning. We're all engaged in a long period of transition and further negotiation over the decade ahead of us. It is too early for such an assessment. After the lengthy debate I mentioned earlier, it's expected that either praise or blame for just about any event in our daily lives will be blamed on the Free Trade Agreement.

I would like to share with you the manner in which government has proceeded with the implementation of the FTA, the issues we are addressing, and some of the efforts we are making as a government to assist business as it takes on the challenge of the Free Trade Agreement.

January 1st brought the FTA into force. We endeavoured to make sure that we as a government were ready. We passed legislation in December with regulations requiring the Federal Government to put in place the implementations. We were successful in doing that with two small exceptions, one of which refers to the importation of used automobiles and the second one deals with new rules on cable re-transmission into Canada. Both of those regulations required public comment, which is now under way, so that in terms of the regulatory framework we were ready and in place on the first of January.

The dispute settlement provisions of the Agreement are another very critical and important aspect of the Agreement. Chapters 18 and 19 of the Agreement provide for that dispute settlement and call for the establishment of rosters of panels, people on both sides of the border who will be called upon when there are disputes. They will be there to provide opinions and, in some instances, under Chapter 19, binding decisions. Both Canada and the United States did have the rosters for Chapter 19 announced on the first of January. With Chapter 18, the general dispute settlement provisions of the agreement, most of the names for the roster are up and are in place.

We concentrated in the first weeks of the Agreement on border issues. We recognized that most Canadians' first exposure to the FTA would be when they crossed the border as a visitor, business person, or when transporting goods or services across that border. We went through training programs for Canadian Customs, Excise, and Immigration Officials. The United States has been a little bit slow in that process but it is now under way in the United States as well.

We did recognize that for people importing and exporting there was going to be a new world in