

pros and cons of further integrating Canada into a North American trading bloc are discussed below). Yet it does not detract from the imperative of continuing to strengthen ties with others and ensuring that the EC and other regional blocs do not establish protectionist practices which discriminate against non-members.

The principal concern of the trading system in the immediate post-war years was the reduction of tariffs, and much has been achieved through seven rounds of negotiations. Tariffs are now at their lowest historical level and in most cases can no longer be considered a major impediment to international trade. In the 1960s and 1970s concern increasingly focussed on non-tariff barriers. Again, through the GATT, trading nations have begun to tackle the need to bring many non-tariff measures within a firm framework of international rules and subject them to international scrutiny. In both cases, Canada benefited from the progressive development of an open, multilateral trading system despite fears that the Canadian economy was not strong enough to withstand full international competition. Attention in the 1980s is likely to focus increasingly on the need for the freer flow of investment and for discipline on subsidies and other incentives with trade-distorting effects.

Attention is now focussed internationally on both unfinished business arising from earlier rounds of trade negotiations and on new challenges facing the trading system. The GATT Ministerial meeting in November, 1982 provided an important opportunity for the Contracting Parties to address these problems and to chart a constructive work programme. This programme should not only strengthen the conviction on all sides that an ordered and disciplined system for trade serves the interests of all countries, rather than imposing impediments or constraints, but should also condition much of Canada's trade policy formulation in the decade ahead. The GATT agenda offers opportunities for Canada to pursue a number of important interests, including:

- a continued search for improvements in the safeguards system, including bringing under multilateral discipline those safeguard measures taken outside the GATT (e.g., the so-called voluntary export arrangements and orderly marketing arrangements);
- a further strengthening of the dispute settlement procedures which could serve to mitigate further the power disparities between Canada and its major trading partners;
- an expansion of the Government Procurement Agreement to include sectors such as telecommunications, power generation and transmission, and surface transportation equipment;
- an expansion of the product coverage of the Civil Aircraft Agreement and measures to deal with concessional export financing practices in this sector;
- a possible review of the Subsidies and Countervailing Duties Agreement to contain, for example, the use of concessional export financing as a commercial policy instrument generally;
- a continued search for improvements in international rules governing agricultural trade, particularly those relating to direct and indirect export assistance;