

Besides the Action Agenda, Osaka had two other important results – the so-called Initial Actions and the decision to work together to invigorate action in global trade talks in the WTO.

Each member economy was required to make a "down payment" or "initial action package" at the Osaka meeting to demonstrate good faith in moving towards the objective of free and open trade and investment by the year 2010.

China, Canada's fifth-largest trading partner, will reduce its import tariffs by up to 30 per cent from next year on 4000 products. It has also offered to eliminate some import controls and to permit Sino-foreign trading companies to establish in China. All told, these represent China's biggest liberalization measure since 1979.

Japan has offered to cut its tariffs on almost 700 products. It is also looking at some significant deregulatory measures to improve foreign business access.

Indonesia, the world's fourth-largest country, is pressing ahead with reforms to open up its economy, and will reduce tariffs progressively by up to 10 per cent on a number of products by 2003.

As you can see, Canada cannot afford to opt out. At the end of the day, APEC is about access to some of the most dynamic and fast-growing markets in the world.

Canada's own initial Action package for Osaka included, beyond its Uruguay Round commitments: reductions of MFN [most-favoured-nation] rates on 1500 tariff line items; reduction of 3016 existing GPT [General Preferential Tariff] rates; and the extension of GPT treatment to 219 tariff lines not previously covered.

I should point out that despite portrayals in the media to the contrary, the Auto-Pact is not "on the table" for discussion in APEC.

Similarly, culture has not been discussed in APEC. Although any economy is free to raise any issue it wants, that does not mean that the other members will agree to discuss it. Canada intends to preserve its cultural identity and cultural industries, as do other APEC members. Should the issue arise, we will continue to ensure that Canadian interests are preserved.

On the issue of invigorating the WTO, Canada is particularly pleased that both ministers and leaders endorsed the proposal by Canada that APEC members should develop initiatives in anticipation of the first Ministerial Review Conference in Singapore in December 1996. This is an important facet of our