

LICENCING AND QUOTAS. WE CANNOT EXPECT THAT THIS FIRST TRADE NEGOTIATION SINCE THE ESTABLISHMENT OF THE POST-WAR TRADE RULES SERIOUSLY TO ADDRESS SUCH A RANGE OF COMPLEX ISSUES, WILL SOLVE ALL THE PROBLEMS THAT OUR MANUFACTURERS AND EXPORTERS HAVE ENCOUNTERED IN THESE AREAS. BUT THEY MUST BE ADDRESSED AND A START MUST BE MADE. I HAVE NOTED THAT YOU AND MANY INDUSTRY ASSOCIATIONS HAVE UNDERLINED THE IMPORTANCE WHICH SHOULD BE ATTACHED TO PROGRESS ON NTB'S IN THIS NEGOTIATION. INDEED, A CONSTANT THEME IN THE MATERIAL SUBMITTED TO THE CTTC TO DATE SEEMS TO BE THAT FOREIGN TARIFF CONCESSIONS ALONE WOULD NOT BE SUFFICIENT TO FOSTER CANADIAN EXPORTS OR TO OFFSET THE VALUE OF TARIFF CONCESSIONS OFFERED BY CANADA. BECAUSE OF THE IMPORTANT CANADIAN INTERESTS INVOLVED IN THESE AREAS, I LOOK FOR STRONG AND CONTINUING SUPPORT FOR OUR EFFORTS TO BRING NTB'S UNDER MORE EFFECTIVE CONTROL. IT WOULD BE ILLOGICAL ON THE ONE HAND TO SAY THAT ACCESS FOR CANADIAN EXPORTS IN FOREIGN MARKETS IS FRUSTRATED BY OTHER COUNTRIES' NTB'S AND AT THE SAME TIME TO ARGUE THAT THE EFFORT TO DEAL WITH THIS PROBLEM IS NOT WORTHWHILE SIMPLY BECAUSE IT IS BELIEVED THAT THE EFFORT CANNOT SUCCEED OR THAT FOREIGN GOVERNMENTS WILL IN ANY EVENT FIND WAYS AROUND THE NEW RULES. THIS WOULD BE A COUNSEL OF DESPAIR AND WOULD IGNORE THE EXTENT TO WHICH GOVERNMENTS HAVE IN THE