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MINISTERS CROSBIE AND MAZANKOWSKI COMMENT ON
CAIRNS GROUP SUPPORT FOR WORLD AGRICULTURAL
TRADE REFORM PROPOSAL

International Trade Minister John C. Crosbie and Agriculture Minister Don Mazankowski today said that Canada and the other agricultural exporting nations of the Cairns Group have decided to support a draft framework proposal on agricultural trade reform prepared by the Chairman of the Agriculture Negotiating Group in the Multilateral Trade Negotiations. The Cairns Group has just concluded its meeting in Santiago, Chile.

The Cairns Group consists of 14 countries, including Canada, and has been pushing for reform of agricultural trade rules since the launch of the Uruguay Round of Multilateral Trade Negotiations (MTN) in 1986.

"Cairns Group countries have accepted the text of the Chairman's proposal as the basis for ongoing negotiations because it reflects many of the proposals so far put forward by the Group. Although Canada has some important concerns with the text, on balance it provides a reasonable framework to carry the negotiating process forward," Mr. Crosbie said.

Ministers Crosbie and Mazankowski said that "Canadian negotiators will be instructed to pursue our concerns regarding supply management and export subsidies in Geneva."

In respect of supply management, Mr. Mazankowski said that the Chairman's text calls for strengthened and more operationally effective GATT rules, but the text is not explicit enough on GATT Article XI issues.

Under Article XI of the GATT, Canada maintains import controls in support of domestic supply management programs for dairy, poultry and eggs. Last March, Canada tabled a proposal for clarifying and strengthening Article XI. "A number of countries have supported Canada's position on Article XI, and Canadian negotiators will continue to vigorously pursue this objective in the final months of the negotiations," Mr. Mazankowski said.

Both Ministers emphasised that Canada will also ask that the Chairman's draft text go further in regard to export subsidies. "The text says that export subsidies should be reduced more than other forms of support and protection. This is a significant step in the right direction, but the view of Canada and the Cairns Group is that the ultimate goal must be the elimination of export subsidies."