

trend to linking trade to the aid offered to countries in the Third World. The question is, how much of this special financing, and what kind, and under what conditions should Canada undertake? We have prepared a discussion paper on the subject. It has been submitted for Cabinet consideration and I anticipate that it will be ready for release to the public in the very near future.

Also being prepared -- in fact, it's in the last stages of preparation -- is a discussion paper on the broad and vital question of securing and enhancing our market access in the midst of a rapidly changing world marketplace. On the basis of recent discussions among the GATT nations, it is fairly clear that we are heading for another round of multilateral trade negotiations. The last one, you'll recall, was the Tokyo Round, which was signed in 1979 and will come into full effect in 1987.

The next round will probably take up a number of sensitive trade matters -- agricultural subsidies, a stricter code on the employment of emergency safeguard measures, government procurement restrictions, trade in services, the further integration of developing countries into the world trading system, and, sectorally, trade in resource products, clothing and textiles.

Not all the members of the GATT are entirely in favour of starting another new round of negotiations. Many developing countries, for example, are wary, as are some members of the European Economic Community. Yet the United States and Japan are pushing hard for the new round, and we believe it is in Canada's interest to give them our full support. Since the negotiations may formally begin next year, it is most definitely in Canada's interest to prepare for them, to define our concerns and get them on the agenda for the new round. The GATT, we believe, is our best hope for maintaining an open world trading system.

At the same time, we must recognize that a new GATT round will take years to negotiate. In the meantime, we must assure that our trade with our number one trading partner, the United States, does not go sour. It would be hard to overstate the importance of the U.S. market to Canada. It is the closest thing we have to a mass market, the kind that allows producers to achieve economies of scale.