



news release

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CANADA TABLES TARIFF REDUCTION OFFER UNDER THE GATT

International Trade Minister John C. Crosbie and Finance Minister Michael Wilson today announced that Canada has tabled in Geneva its initial offer on tariff reductions in the Multilateral Trade Negotiations under the General Agreement on Tariffs and Trade (GATT). This is Canada's opening position in the final phase of the negotiations on market access for goods traded internationally.

Mr. Crosbie said, "Canada is seeking global free trade in resource products such as forest products, fisheries, certain chemicals and petrochemicals and in the high-tech areas of telecommunications equipment and computers. The Uruguay Round should complement the gains made in the Canada-U.S. Free Trade Agreement. It also will build substantially on the progress made in the Tokyo Round of multilateral trade negotiations, by securing and enhancing our access to markets in Europe, the Pacific and Latin America.

"Tariffs are only one part of the trade deal. Our offer is also dependent on obtaining the reduction or elimination of a whole range of non-tariff barriers maintained by other countries against Canadian exports," Mr. Crosbie added. "In this regard, we are taking aim, initially, at the non-tariff barriers of some 30 countries."

Mr. Wilson emphasized that Canada's offer was a forthright one, designed to encourage other countries to reduce their barriers to Canadian exports. Mr. Wilson said: "Canada's offer covers some \$35 billion in imports from overseas countries." Canada and other countries committed themselves, when they met in December 1988, to achieving a result in the tariff negotiations that is at least as ambitious as that achieved in the Tokyo Round, i.e. a tariff cut of about one third.

Canada's offer is conditional on other countries matching it in terms of the overall scope and depth of cuts proposed and on overcoming non-tariff barriers. "Obviously," commented Mr. Wilson, "Canada can take this step only if other participants, particularly the European Community, Japan and the newly industrialized countries are willing to open up their markets similarly." Special conditions also apply to certain parts of the offer. In textiles, for example, the offer depends in part on the outcome of separate negotiations on the future of the Multi-fibre Arrangement. In agriculture, Canada is deferring specific offers until the overall negotiating package of agricultural trade reform is clearer.

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