

AGRICULTURAL TRADE

Canada believes that there is an urgent need for agricultural trade reform. The international trade environment facing Canadian agriculture has never been in a such a state of disarray.

Fair and open agricultural trade is of vital importance to Canadian farmers. Approximately one half of Canadian farm cash receipts come from exports. Canada exported \$8.9 billion in agricultural products in 1987.

Although the United States is an important customer for our agricultural exports, two-thirds of our farm exports go to other markets around the world. For instance, 80 per cent of our grain and oilseed exports go to other markets. In these other markets, our agricultural exports face strong competition from heavily subsidized products of the U.S. and the European Community.

For the first time in GATT history, agriculture is at the heart of the multilateral trade negotiations.

One of Canada's principal objectives in the Uruguay Round is to bring agricultural trade under more effective and more equitable rules which apply to all GATT countries.

Canada is working to reduce trade-distorting subsidies, particularly export subsidies, which are causing real difficulty for our farmers. These problems are global and require global solutions. This country is also trying to improve and secure access to foreign markets for our exports.

Canada is aware of the need to reduce conventional trade barriers, such as tariffs and import quotas, as well as to ensure that technical regulations, such as health and sanitary measures, are not used as disguised barriers to trade.

Canada is a member of the Cairns Group of agricultural exporters along with Australia, New Zealand, Argentina, Brazil, Uruguay, Chile, Colombia,