

range of products we export or can export potentially.

The fourth stage is the process of adjusting the tariff concessions to get balance and reciprocity in the tariff bargain. By balance, I mean that there must be some reasonable relationship between the burden of adjustment required by the change in the tariff environment and the prospects and opportunities offered by that change - and not only for Canada as a whole, but for each major economic region of Canada and for each broad sector of production. By reciprocity, I mean that clearly Canada does not propose to contribute more to the tariff negotiations than Canada receives from the negotiations. It also means, it ought to be evident, that other countries will ensure that Canada does not get more than it gives.

Well, we are exchanging views and hearing initial proposals at the first stage of the tariff negotiations. We are skirmishing about what will be the point of departure - the tariff cutting hypothesis, including the exceptions rules, and we are some way from the next stage.

In this discussion the delegation is being guided by two general considerations, which carry of course, the judgement of our Ministers. The first is that we are trying to work out an hypothesis under which Canada like others, can operate in the tariff negotiation. It is my view that this is feasible, but it will require that other