

\$3 billion annually when the Agreement is fully phased in. These are, however, only a fraction of the actual gains that will almost certainly occur.

Although this Agreement covers a wide array of issues affecting international trade relations, three areas stand out, both as a result of the leadership role Canada played in promoting progress and consensus, and as a result of these elements representing, for us, the most important and beneficial achievements of the Round. I refer to the market access package; to the agreement on subsidies and countervailing duties, which grew out of a Canadian draft; and to the agreement to establish a new institution, the World Trade Organization, with a greatly strengthened and integrated dispute settlement system. The creation of the World Trade Organization is largely the result of a joint initiative by Canada and the European Union.

Under the Uruguay Round Agreement, access to markets for industrial products will be substantially improved, with most tariffs being cut by at least one third. Deeper cuts, including zero tariffs in some ten sectors will also be made. Overall, Canadian exports to the European Union will benefit from tariff reductions of almost 60 per cent. Tariffs on our exports to Japan will be reduced by about 70 per cent. The impact of tariff escalation will be reduced as well. For example, the gaps between tariffs on finished products and raw materials will fall by as much as two thirds for products of importance to Canada, such as copper, lead, zinc and other non-ferrous metals.

A major achievement of the Uruguay Round is that, for the first time, the agricultural sector is brought under the rules-based multilateral regime. Agricultural tariffs will be cut overall by 36 per cent, with domestic support measures to be reduced by 20 per cent and export subsidies by 36 per cent in terms of budgetary expenditures over a six-year period. This represents a significant gain for our agricultural exporters. More generally, the agricultural reforms will contribute to improved efficiency in the world economy, providing a good start for future disciplines, particularly on agricultural export subsidies.

Also for the first time, trade in services and trade-related intellectual property are brought within the framework of multilateral disciplines. The agreement on services covers trade and investment worth some \$2 trillion annually and will promote continuing liberalization in these sectors. Multilateral rules on intellectual property will provide a stronger basis for the development and transfer of technology. Agreements in areas as diverse as rules of origin, import licensing and pre-shipment inspection will improve conditions for all international traders.

As I already mentioned, the Agreement strengthens trade remedy rules, thus realizing one of Canada's priority objectives going into the