

- ii) A sound international allocation of these resources would require that access to world markets be freed on a world-wide basis. Such a concerted move would provide the greatest benefits to all concerned, whether developed or developing, exporters or importers.
- iii) Access to the markets of the U.S.A., the EEC, Japan, and Britain is already free for products such as bauxite, tin and iron ore, but not generally so for products like unwrought aluminum, copper, lead and zinc.

Progress has been made and Canada has made significant contributions ... but more must come.

b) Freer access for tropical products

- i) Because of their geographical position, developed countries do not as a general rule grow tropical products. The existence of import duties is not, therefore, intended to protect domestic growers but to maintain a competitive advantage of preferential developing suppliers.
- ii) Tariffs on several tropical products (e.g. coffee, tea, cocoa) were significantly reduced as a result of the Kennedy Round negotiations, but import duties still remain, mainly because of unreadiness of preferential suppliers to share their markets with other competing developing countries.
- iii) Most of Canada's Kennedy Round reductions on tropical products were implemented in one stage on January 1, 1968. This means that Canada provides duty-free access for products such as cocoa beans, cocoa butter, green coffee, coconuts and peanuts.

Canada continues to support freer access for tropical products in the markets of advanced temperate countries by calling for the avoidance of fiscal duties on such commodities by importing countries, which tends to reduce the free flow of goods.

- iv) If all industrialized countries were to move in that direction, existing preferential suppliers (i.e. developing countries of the Commonwealth and those associated with the EEC) would be adequately compensated for the sharing of their preferences through improved access in other markets.

This would be another step forward towards duty-free non-discriminatory trade.

c) International commodity agreements

Canada believes that international commodity arrangements can play an important role in the trade prospects of primary-commodity producers by stabilizing price fluctuations at levels remunerative to efficient producers and fair to consumers. In some cases, commodity arrangements may be necessary to ensure adequate supplies of particular commodities.