

Buy-America requirements or the U.S. Small and Minority Business Set-Asides. It could be done through expanding the product coverage of the existing GATT Agreement to include additional entities which are the main purchasers of telecommunications, power generation and transmission and urban transportation equipment. It is also possible that the expansion of the coverage of the Agreement could include services.

(d) Trade in Services:

The development of international rules under the GATT for trade in services, analogous to those now governing trade in goods, is being considered. Although trade in services amounts to approximately one-quarter of the total value of international trade in goods, it is, for the most part, not governed by any internationally agreed trade rules. As a significant exporter and importer of services, Canada has strongly supported international examination of trade in services. As a country with world-class skills in such service sectors as construction, engineering and telecommunications, we wish to ensure that any agreement which may be negotiated accommodates Canadian interests. A key objective of the domestic consultative process will be to identify where our interests lie and to formulate a Canadian position in the sectors which could be covered by an international agreement.

(e) Trade in Resource Based Products:

The development of resource sectors has traditionally been a major source of Canadian exports, including those from Canadian manufacturers of related capital goods and equipment. Current work in the GATT is directed at identifying barriers to trade in a broad range of unprocessed, semi-processed, and fully-processed products of interest to key resource industries in the fisheries, forestry and non-ferrous metals and minerals sectors. Issues identified to date involve a range of tariff and non-tariff barriers.

(f) Textiles and Clothing:

The possible renegotiation of international rules affecting trade in textiles and clothing is linked to the scheduled expiration of the GATT Multi-Fibre Arrangement in July, 1986. This renegotiation in a highly sensitive sector is of key interest to a number of developed and developing countries where structural adjustment has lagged behind changing competitive forces.