

Canada, the Uruguay Round and the World Trade Organization

For Canada, one of the most trade-dependent countries in the world, the success of the Uruguay Round of Multilateral Trade Negotiations was vital, not only in terms of expanded access to markets and stronger trade rules and institutions, but also to further domestic growth and employment.

The historic agreement concluding seven years of negotiations by members of the General Agreement on Tariffs and Trade (GATT) was signed in Marrakesh, Morocco, in April 1994. GATT governments now face the job of translating the outcome into reality. It is this perspective that drives Canada's international trade objectives for the G-7 Summit. Achieving these objectives depends on the recognition of two immediate priorities: passing effective laws in national legislatures, and building a strong World Trade Organization (WTO) to replace the GATT Secretariat.

First, the 124 governments that signed the Marrakesh agreement must quickly pass laws to put it into effect. As this legislation is drawn up and debated, it is critical that governments adhere to the letter and the spirit of the agreement. Canada is urging its G-7 partners to strenuously resist pressure for changes in trade legislation that go beyond what is required — pressures that could lead to more, rather than fewer, barriers to trade. How this important business is addressed will profoundly influence the credibility of the agreements that were signed at Marrakesh and, ultimately, the future of the multilateral trading system.

This fall, Canada's international trade minister is expected to ask Parliament to back the Marrakesh accord and to approve Canada's membership in the new World Trade Organization. Canada, which played a major role in developing the WTO, wants an institution that is seen to encompass the interests of all nations.

Second, Canada is urging its G-7 partners to ensure that the WTO is strong enough to take the world into the 21st century and to counter the pressures created by economic uncertainty and protectionism. As well, a smoothly functioning WTO is essential to completing unfinished negotiations in areas such as financial services, telecommunications, and government procurement.

There is also the question of admitting new members into the WTO. Broader membership would be positive for the rules-based trading system and would offer significant benefits to the countries concerned. However, Canada believes