

GLOSSARY OF TRADE AND RELATED TERMS

Terms of Trade	The volume of exports that can be traded for a given volume of imports. Changes in the terms of trade are generally measured by comparing changes in the ratio of export prices to import prices. The terms of trade are considered to have improved when a given volume of exports can be exchanged for a larger volume of imports. Some economists have discerned an overall deteriorating trend in this ratio for developing countries as a whole. Other economists maintain that whereas the terms of trade may have become less favourable for certain countries during certain periods -- and even for all developing countries during some periods -- the same terms of trade have improved for other developing countries in the same periods and perhaps for most developing countries during other periods.
Third Option	The policy option adopted by the Government of Canada in 1973 by which the Government sought to adopt domestic policies (such as the subsequent FIRA and NEP) as well as strengthen trade relations with Europe and Japan as a counterweight to growing trade and economic dependence on the US market.
Tied Loan	A loan made by a government agency that requires a foreign borrower to spend the proceeds in the lender's country.
TNO	Trade Negotiations Office. The special office established by Canada in 1985 to prepare for and conduct bilateral negotiations with the United States as well as multilateral trade negotiations.
Tokyo Round	Seventh in a series of multilateral trade negotiations held under the auspices of GATT, launched in Tokyo in 1973 and concluded in 1979.
Trade Act of 1974	U.S. legislation signed into law on 3 January 1975, which granted the President authority to enter the Tokyo Round and negotiate international agreements to reduce tariffs and NTBs. (See also fast-track procedures). The act also amended U.S. law governing the escape clause, anti-dumping, and countervailing duties, expanded trade adjustment assistance, established guidelines for granting MFN status to East-bloc states and granted limited trade preferences (GSP) to less-developed countries.