

piece, if not the whole of the negotiations - the negotiation of further reductions in tariff rates. We are in the process in Geneva of working out agreement on the first stage - but only the first stage - of an arrangement in this area of the MTN.

There are, it seems to me, a number of stages in a tariff negotiation, as such a negotiation is now conducted.

First, there is the stage of formulating general rules about the negotiation - what ought to be the depth of tariff reduction contemplated, as a general proposition, and what ought to be the rules regarding possible exceptions to that general proposition. It is this first stage that we are now working on in Geneva.

Second, there is the drawing up by each participant of its list of such exceptions. It is in this context that briefs submitted to the Canadian Trade and Tariff Committee in Ottawa, are of direct importance. The formulation of the Canadian exceptions will be done in Ottawa, and then conveyed to the Delegation in Geneva. Then last list will be tabled on an agreed date, at which time we will receive the proposals about exceptions of the other countries.

The third stage is the adjustment of the exceptions list of each participant to take into account the exceptions of the others. That is a critical phase for a small country such as Canada, given our dependence on trade and the narrow