



news release

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MINISTERS WILSON AND CARNEY NOTE PROGRESS ON
AGRICULTURAL TRADE FRONT AT CONCLUSION OF
OECD MINISTERIAL MEETING

Finance Minister Michael Wilson and International Trade Minister Pat Carney called the successful conclusion of the OECD Ministerial Meeting the first step toward the goal of agricultural trade reform.

The OECD ministers reaffirmed the commitments made at Punta del Este to deal with agriculture in the Uruguay Round and pledged concrete action to end the escalation of the agricultural trade wars.

The final OECD communiqué incorporated the essential elements of a Canadian proposal for reform of international agricultural trade contained in a letter sent to Secretary-General Paye on March 11, 1987 and advanced by Canadian ministers at international meetings.

Agricultural reform was first placed on the world agenda by Prime Minister Brian Mulroney at last year's Tokyo Economic Summit. Since then, ministers have pushed for reform at a variety of international meetings including Cairns, Australia; Sintra, Portugal; Punta del Este, Uruguay; San Diego, California; Lake Taupo, New Zealand; and Kashikojima, Japan.

The Canadian principles state that agricultural policies should be designed so as not to adversely affect international trade. To this end and progressively over time:

1. Agriculture policies must become more price responsive.
2. Support for agriculture should avoid production incentives, i.e. support should be for farmers not farming.
3. Countries should freeze and seek to reduce governmental assistance measures that artificially distort world prices.
4. Countries should not introduce new import barriers not mandated by existing legislation.
5. These basic principles must be implemented collectively.

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