

- The development of a stronger, more efficient, productive, competitive, and non-inflationary domestic economy, with increased employment opportunities benefiting Canadians from all regions of the country; and
- The promotion of a more stable and open international trading environment within which Canadian and foreign firms alike are encouraged to plan, invest and grow with confidence.

Beyond these basic objectives, however, the conduct of trade policy is about day-to-day decisions affecting the tariff on a single product, a quota which can make or break an industry, a countervailing duty which will determine profits for years to come, the availability of government-guaranteed export credits; it is about complex relationships between unequal trading partners and between economic policy and trade performance. Meeting these day-to-day challenges requires a framework of basic trade policy principles based on a thorough knowledge of what has gone before and a full appreciation of what may or may not work. To a large extent Canadian trade policy has been, and will continue to be, developed as a trade-off between the objective of improved access to foreign markets, the need to promote efficiency and competitiveness, and the need to provide protection through the tariff and, on occasion, special temporary measures for those Canadian industries subject to competitive pressures.

The fundamental message of the review is that the open trading system continues to be the best and most practical option available to enable Canadian producers and consumers to benefit and to improve their standard of living. As a major trading country with limited political clout it is important that Canada assert our rights and observe our international obligations on trade, not to be 'a better boy scout' than others but to ensure that efficient Canadian producers continue to operate in a predictable climate and not a law of the jungle in world trade. To this end the Government will:

- a) give first priority to efforts to strengthen the multilateral trade and payments system (to broaden both its scope and its discipline);
- b) seek to ensure that foreign laws, regulations and practices do not adversely affect access to export markets of Canadian producers;