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CANADA ENDORSES CAIRNS GROUP AGREEMENT  
ON A GATT NEGOTIATING POSITION

Chiang-Mai, Thailand, November 23, 1989 -- International Trade Minister John C. Crosbie today welcomed the agreement by the Cairns Group on the text for a joint position to be tabled on November 27 at the GATT negotiations on agriculture, in Geneva.

"The Cairns paper is a blueprint for achieving agricultural trade reform, and meets Canada's key objectives for agriculture," said Mr. Crosbie. "Canadian agriculture in all regions of the country stands to benefit from foreign trade and a fairer and less distorted trading system. This will provide a solid basis for the expansion of Canadian agricultural exports," Mr. Crosbie said.

On access to markets, the Cairns Group paper urges that all tariffs be reduced, and that all measures not explicitly provided for in the GATT be eliminated or brought into conformity with the new GATT rules. This covers non-tariff barriers and variable import levies, special waivers and other country specific derogations. At the end of the Uruguay Round, all import measures would be covered by specific GATT commitments.

On the proposal of converting non-tariff measures into tariff equivalents, Mr. Crosbie made it clear to the Cairns Group members that, in Canada's view, this would not apply to import measures maintained in conformity with GATT article XI. In this regard, he said "that the existing GATT rules which permit import restrictions, particularly Article XI governing import controls in support of effective supply management, should be clarified and strengthened."

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