

MARKET ACCESS

When the GATT was signed in 1947, the main objective of the founding parties was to reduce tariffs on goods and thus improve access to world markets. Market access continued to be the principal focus in the succeeding six rounds of multilateral trade negotiations.

Reducing tariff and non-tariff barriers to goods is also an important objective in the current Uruguay Round. In the Punta del Este Declaration, which formally launched the Uruguay Round, the GATT Contracting Parties agreed to work together to reduce or eliminate tariffs and non-tariff barriers as well as to liberalize trade in natural resource-based products.

Several successful rounds of GATT negotiations have substantially reduced tariffs to the extent that, for some goods, they no longer represent a major impediment to world trade -- at least among developed countries. This is not true for developing countries, where both tariff and non-tariff barriers remain high, and where significant potential markets for Canadian exports are to be found.

Despite low average tariff levels, most industrialized nations continue to maintain high tariffs in certain sectors. A further concern, especially for Canadian resource industries, is the issue of tariff escalation, where higher tariffs are imposed on processed products.

As average tariff levels have been reduced, the use of non-tariff measures has become a more significant barrier to world trade. These measures include import quotas, licensing requirements, discriminatory product standards, technical regulations, subsidies, countervailing duties and government procurement preferences.

In the Uruguay Round, Canada is seeking the greatest possible reduction in tariff and non-tariff restrictions, particularly those affecting Canadian exports of resource-based products such as fish, forest products, petrochemicals, metals and minerals. To ensure security of access and to