

trade interest. The options discussed are listed below in the final order of priority of exporters and importers:

1. **Bilateral meetings or enhanced communication between shippers at both ends of the trade**
2. **Government-to-government trade discussions**
3. **Government-to-government shipping discussions**
4. **Bilateral meetings of commercial shipping interests**

Seminar participants unanimously favoured "Bilateral meetings of shippers" as a preferred first choice to resolve disputes. In cases where commercial discussions proved to be unsuccessful in resolving a dispute, and when in the judgment of the industry concerned, government intervention is warranted, "Government-to-Government trade discussions" was the participants' preferred mechanism for Canadian government intervention in support of a satisfactory commercial solution.

The following statement at the Montreal seminar reflected a surprisingly bitter appraisal by shippers of the motives and aspirations of most carriers or shipping conferences:

"Government-to-Government trade discussions are preferred (when commercial solutions fail) and offer the best possibility of achieving a workable solution. Bilateral meetings of commercial shipping interests and government-to-government shipping discussions are unlikely to be directly responsive to exporter — importer interests".

Despite the foregoing, a majority attending the conference acknowledged that, when faced with restrictive trade policies, it was unquestionably in Canada's best interest to improve dialogue and coordinate action between **all interested parties in Canada — including shippers, carriers and government.**

Trade and Shipping Agreements

From the outset there was considerable controversy among seminar participants as to the value of bilateral trade agreements with appropriate shipping related clauses as an effective means to ensure Canadian exporter's and importer's access to competitive shipping services in Canada-LDC trades. There was also extensive discussion of what should be addressed in the contents of such agreements. It was noted that Canada's OECD partners presently have over 90 'shipping' or 'trade' agreements with shipping clauses in place, with both developed and LDC countries.

After discussion of the question, participants in all five seminars expressed qualified support for the "selective" use of bilateral trade/shipping agreements to ensure access to competitive shipping services in LDC markets where restrictive shipping policies are enforced. They agreed that **bilateral agreements could provide a solid foundation of agreed principles which would increase commercial confidence and stimulate bilateral trade development.** Such agreements would also provide the Canadian government with "*legal clout and leverage*" in negotiations when specific commercial problems arise.

Participants stressed however that the Canadian government should be "*selective*" in the use of bilateral agreements, resorting to such arrangements only "*where necessary to facilitate Canadian trade*", and after full consultation with Canadian exporters and importers. Some participants suggested that, rather than "*actively pursuing*" umbrella trade agreements with shipping clauses, the Government should only "*react in instances when the other country proposes such agreements*". A general view emerged from workshop discussions that two criteria should be used to determine if a bilateral trade/shipping agreement is appropriate, namely, where the prospective partner is receptive to an arrangement of this nature, and secondly whether Canadian industry and government believe that "*Canada's bilateral trade with the country concerned would be enhanced*" as a consequence.