

With respect to the preparatory work for the new round, a reasonable operating assumption is that a new round of trade negotiations is likely to begin either in late 1985 or early 1986. The negotiations will be about: (a) trade liberalization, both with respect to non-tariff and tariff barriers; (b) improving trade rules to provide a more predictable trading environment in which businesses can operate; and (c) improvements in the trading system itself which could be designed to have a similar effect – an example of this latter element would be improvement in the General Agreement on Tariffs and Trade (GATT) dispute settlement system.

Multilateral negotiations would offer us the prospect of improving market access for Canadian products to our traditional partners and with important growth markets in developing countries, particularly in Asia and in Latin America. Of course, the principal component of any multilateral negotiation for Canada is a negotiation with the United States and there are many things which we would wish to accomplish in that context.

But there are major opportunities elsewhere as well. Many of our exports to these other markets are vital to different regions of the country. In the Canadian federation a specific region's view of the world does not always correspond to a nationally aggregated picture. Many Canadians consider the trade relationship with Japan and the Pacific to be vital, particularly for producers of certain commodities. For others, the natural market that would allow the emergence of a more prosperous fisheries industry, for example, is Europe. The challenge for Canada is to achieve, through a new trade round, greater access to these enormous markets as well as to those of several of the newly-industrialized countries.

Some of the emerging issues on the likely agenda for the new multilateral trade negotiations round include:

- (a) trade in agriculture, where better discipline on trade-distorting subsidy practices would be a key objective;
- (b) dealing with barriers to trade in natural resource products, including fisheries, forestry, non-ferrous metals and minerals and petrochemicals;
- (c) the possibility of developing better discipline on the use of subsidies, in general, particularly those which cause serious international trade frictions;
- (d) the development of a possible international framework for trade in services;
- (e) the improvement of provisions of the GATT Government Procurement Agreement and the expansion of its coverage;
- (f) a safeguards understanding which would improve international discipline regarding emergency measures taken against injurious imports such as those recently threatened by the USA in steel and copper, and practised by Canada on footwear; and