

Canada's trade has expanded during the last 40 years, under the beneficial and gradually liberalizing influence of the General Agreement on Tariffs and Trade. The GATT is, quite simply, the motor oil of the world's trading machinery. Over the years, negotiations under the GATT have brought down tariffs, and reduced the use of a variety of unfair trade practices. In the last completed negotiations -- the Tokyo Round -- participating countries made significant across-the-board tariff cuts, and initial progress was made toward the further reduction of non-tariff barriers. Agreement on a Government Procurement Code, for example, was an important step forward. In a more open world market, trade increased, and its benefits were distributed widely to all trading nations. The achievements of the Tokyo Round helped to power the economic growth of the eighties, in Canada and around the world.

Canada is an unabashed supporter of the GATT, and a successful conclusion to the Uruguay Round is Canada's number one trade priority. It is no accident that my two partners in the NAFTA negotiations are both members of the GATT and, without presuming to put words in their mouths, I dare say they have similar hopes to mine for the success of the Uruguay Round. Certainly Canada's interest in North American free trade is complementary to, and not an alternative to, the global agenda of the GATT.

By restraining protectionism, the GATT opens doors to the complex global marketplace. It also is an important rule book that sets the standards for vigorous competition, while restraining "beggar-thy-neighbour" practices that hurt everyone. Canada wants the doors to stay open because Canadians want to compete. We also want clear rules so that all countries have the same opportunity to put their economic talents to work. That's why we are pressing for a successful conclusion to the Uruguay Round.

The world is changing, and the GATT must change with it. The time is long overdue to bring the GATT up to speed with modern realities.

There is a lot at stake. Most of the recent attention on the negotiations has focused on the agricultural sector, where Canada's interests are significant. Success will mean an effective brake on the cutthroat competition that has plagued world grain markets for much of the last decade. Disciplines on export subsidies will help restore the incomes of Canada's grain farmers, whose quality product is, in many parts of the world, a synonym for Canada. There are also important stakes in the agricultural negotiations for our dairy and poultry producers. In Canada we have a unique supply management system that provides many of our farmers with stable incomes, without distorting world trade. It operates within the GATT rules but these rules need clarification as they apply to these products. This is a primary objective for Canada.