
AGRICULTURAL TRADE POLICY

Canada's objectives in agricultural trade policy are to promote the reduction of trade barriers and trade-distorting subsidies, and to promote new trade rules applicable to all countries.

In 1990/91, the Department's priority was continued support for Canada's position on agricultural reform in the Uruguay Round of the GATT. In addition, Canada discussed agriculture in the OECD, the Food and Agriculture Organization (FAO) and through bilateral negotiations with

major trading partners. Within the OECD, Canada has participated in recent developments in the integration of agriculture and environmental policies as they relate to trade.

Other important efforts in 1990 have related to the Cairns Group, the Canada-Nicaragua Beef Consultations, the Dairy Task Force Public Hearings, the International Sugar Council, the Grain Council and preparation for negotiations of the North American Free Trade Agreement.

FISHERIES TRADE POLICY

Canada maintained its diplomatic, legal and public relations initiatives to curb foreign overfishing off the East coast. It continued to seek compliance by foreign fleets with the fisheries conservation/management program and measures established by the Northwest Atlantic Fisheries Organization (NAFO). In this context, Canada pursued enhanced international cooperation, in particular by the European Community, in scientific research, surveillance and control, and the curtailment of non-NAFO member fishing in the NAFO area.

As a key sponsor of UN General Assembly resolutions on large-scale high seas driftnet fishing, Canada maintained pressure for the termination of such fishing off the Pacific coast in the absence of effective conservation measures. Canada also worked closely with the United States in curbing the illicit fishing and marketing of salmon by South-east Asian interests.

RESOURCE AND COMMODITY TRADE POLICY

Commodity trade policy efforts were directed to overcoming barriers to Canada's export of resource products. Canada has raised objections to proposed EC kiln-drying regulations to combat the perceived threat from the pinewood nematode parasite. These regulations could seriously affect Canada's softwood lumber trade with the EC. Threats to trade resulting from campaigns against Canada's forest management practices have also been addressed. The Resource and Commodity Trade Policy Division successfully conducted discussions with the EC for increased quotas on the export of Canadian newsprint in 1990.

Increased attention was devoted to health- (asbestos and heavy metals) or environment-related initiatives with a potential impact on the trade of commodities. Discussions will result in new regulations on waste management and on the transportation of

hazardous wastes. Advice was provided to industry to counteract potentially harmful U.S. legislative proposals regarding issues such as newsprint recycling. Also, the Division actively pursued the development of government/industry consultative mechanisms on environmental issues affecting trade in commodities.

Canada plays an active role in a number of international commodity bodies. The newly adopted financial regulations of the Common Fund for Commodities will protect the financial interests of shareholders and ensure the operational flexibility of the organization. Canada played a major role in the establishment of the International Nickel Study Group, inaugurated in June 1990, and in the development of proposals for an International Copper Study Group. The mining industry fully supports these bodies.