

- To enable the Canadian government to effectively respond in those instances in which Canadian trade is threatened by anti-competitive, restrictive national shipping policies, seminar participants advocated a **flexible approach**. It would be important to ensure that government had at its disposal a full range of policy instruments and options in order to effectively manage such situations.
- Seminar participants noted that no policy can precisely fit all possible situations and therefore, in practical terms government in consultation with industry has to be guided by certain general principles and be prepared to **custom tailor policy solutions to fit specific problems**.
- Where it is in Canada's interest to maintain access to particular foreign markets, seminar participants expressed qualified support for **the use of defensive trade legislation and formal negotiations** as the two policy options most likely to successfully defend Canada's trade interests when commercial solutions prove untenable.

Recommendations

- That urgent action be taken by the Government to implement Recommendation 4 of the Taskforce on Deep Sea Shipping to create an **advisory board** or council consisting of representatives from industry, labour and government to monitor, on an ongoing basis, the international shipping environment. Seminar participants recommend that the majority of members nominated to this advisory board or council be from the private sector and that the private sector rather than the Government should appoint the industry representatives.
- That increased emphasis be placed on **government-to-government consultations**, including the **negotiation of bilateral trade agreements** with related shipping clauses, as and when necessary to supplement and/or support commercial solutions.
- That the Government, in consultation with industry, initiate on a priority basis the drafting and enactment of **defence trade and shipping legislation** to be deployed only as a last

resort, in order to maintain and enhance Canadian access to vital export markets.

- That the Canadian government address the issue of cargo reservation "head on" when this is encountered in bilateral relations, and be prepared to negotiate if necessary, and as a matter of last resort, **cargo sharing arrangements** which maximize the opportunity of Canadian exporters and importers to obtain competitive shipping services in particular trades.

Presentation by Mr. A. Bouayad, Director, Shipping Division, United Nations Conference on Trade and Development

The Chairman introduced Mr. Abderrahmane Bouayad, the Director of the Shipping Division of UNCTAD (United Nations Conference on Trade and Development).

Mr. Bouayad commenced with a statement of UNCTAD's role in promoting world trade, particularly the trade of developing countries. He noted that UNCTAD provided a forum for multinational negotiations "*aimed at finding globally acceptable solutions to common problems*".

Congratulating the organizers of the Conference for their initiative in inviting discussion on the operations, constraints and problems of developing countries in shipping and trade, he noted that "*such better understanding would be a basic prerequisite for fruitful cooperation with developing countries to the benefit of all parties*".

He noted that inadequacies in shipping services are undeniably disruptive to trade and the development process. National investment in shipping however was often for the purpose of ensuring the availability of adequate services, and to enhance the viability of national economies as a whole. The presence of national shipping lines had supported the creation of new trade flows as traditional patterns of shipping services had changed. There was now closer economic cooperation between developing countries.

Developing countries have adopted a dual approach to shipping policy, namely the protection of shippers' interests on the one hand, and