

I know that asking these questions at the present time is difficult. Ministers Kim and Hashimoto in Ottawa last month reminded me of how sensitive the question of completing domestic legislative procedures to implement the Uruguay Round is in their countries — and we all have seen the challenges in the United States. But I hope that by the time we, and subsequently our leaders, meet next month, we shall be able to look more clearly and confidently ahead. The world expects no less from us.

I shall be interested to hear your views on these matters, and those of your colleagues and your leaders over the next month or so. We certainly have some good outside advice. Both the Eminent Persons' Group and the Pacific Business Forum offer a clear, concise vision of additional trade and investment liberalization in the region consistent with, and pursued in parallel with, multilateral actions. The timetables suggested by these two groups may differ, but not the goal. Both groups also look to the early adoption of a legally-enforceable and binding Asia-Pacific investment agreement, an APEC dispute avoidance or mediation mechanism, and further work within APEC to improve trade and investment facilitation.

For our part, once we see the implementation procedures completed in APEC member economies, Canada will be willing to proceed further. For we know that the achievements of the Uruguay Round, as significant as they were, were generally smaller than the ambitious program envisaged at Punta del Este almost a decade ago. Much remains to be done to resolve some key problems such as the proliferation of anti-dumping abuses, limited services liberalization to date, remaining tariffs, and obstacles to investment.

We would like to begin to move in several directions:

- First, consider accelerating the implementation of the tariff cuts agreed to in the Uruguay Round and exploring further MFN [most favoured nation] tariff cuts in other sectors while ensuring that there is no back-sliding in the application of rates presently applied in our respective economies. There might well be possibilities of further sectoral tariff harmonization or of new zero-for-zero initiatives in a range of products or sectors of interest. At the same time, we shall want to work together to build on the GATS [General Agreement on Trade in Services] outcome to maximize liberalization in services — particularly in financial services.
- Second, consider pursuing, in the short term, the elimination of export subsidies on agricultural trade in APEC and, in the longer term, a prohibition of all export subsidies in agricultural trade. Significant progress was made in the Uruguay Round. For the first time, export subsidies in agricultural trade are defined, and governments are committed to reductions in both their volume and value. However, the