

The Canadian strategy calls for a more unified, effective, and truly multilateral dispute-settlement system that would reduce the threat of unilateralism. A fundamental element of the strategy is a Canadian proposal on dispute settlement. It recommends that the problems of delay and blockage of GATT panel decisions be eliminated by adopting a system of panel review and appeal procedures, building upon the experience of the Canada/U.S. Free Trade Agreement. It also sets out specific procedures for implementation of panel decisions.

"Countries will increasingly resort to unilateral action unless there is a strong, multilateral method for resolving trade disputes," Mr. Crosbie said.

He added that regional trade liberalization agreements, such as the Canada-U.S. Free Trade Agreement and the move to eliminate internal trade barriers in Europe, need to be complemented by a strong multilateral trade system.

Mr. Crosbie noted, "Such agreements reflect the growing realization that trade is a major contributor to economic growth."

The Canadian strategy also offers an institutional basis for increased coherence between international monetary, trade and financial policies. The world trade organization could work in co-operation with the other major international economic organizations -- the International Monetary Fund and the World Bank.

"We are living in a world which is increasingly interdependent economically. We must have the means to coordinate economic policies to profit from that interdependence and realize sustained economic growth", Mr. Crosbie emphasized.

During the Uruguay Round, Canada has played a leading role in negotiations on the functioning of the GATT system and dispute settlement procedures. The Canadian strategy builds on progress made in these areas, as well as on experience gained in the Canada-U.S. Free Trade Agreement, particularly with respect to dispute settlement.

"Canada's economic strength, like that of many other participants in the Uruguay Round, is dependent on exports", Mr. Crosbie said. "We share a common objective with these countries of a strong and renewed multilateral trading system which will ensure access to markets. Over the coming months I will be working closely with my colleagues from other countries to achieve this objective."

Details of Canada's proposal will be presented and discussed at the Informal Trade Ministers' meeting in Mexico, April 18-20.

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