

- a) Continuation of current Canadian practices
- b) Commercial solutions that may or may not require governmental support
- c) Government-to-Government consultations to find solutions
- d) Formal negotiations designed to produce a treaty or agreement
- e) Defensive trade and shipping policies supported by defensive legislation
- f) **Some combination of the above**

In recognition of important differences in trading terms and conditions, and the wide array of restrictive practises encountered in some trades, participants concluded that alternative (f)- a combination of all policy approaches enumerated, was the most practical Canadian choice.

All noted their preference for commercial solutions if effective, i.e. (b), however those who had previously experienced problems involving LDC shipping regulations were of the view that commercial solutions in these instances were simply not adequate to resolve the problems encountered.

The Toronto seminar emphasized that while commercial solutions should be the first recourse, government should have an array of comparable countermeasures available to effectively defend Canada's trade interests.

There was general support for a policy response which would emphasize "flexibility" and "pragmatism", and which could be "tailored to suit individual situations". Although initially opinions were sharply divided, seminar participants, after extensive discussion reluctantly agreed that defensive **trade** legislation (not defensive **shipping** legislation) is fundamental to putting muscle into Canada's negotiating position, should this be required.

The utility of defensive legislation was seen to be for its "implied threat of retaliation" and "to provide clout in negotiation", and not for its actual use in initiating retaliatory measures. (Halifax)

All present agreed that active retaliation should be reserved for situations where all other feasible alternatives had been used to no avail, and then only in instances where Canada's national economic interest is clearly at stake.

Participants noted that it would be necessary to have such legislation in place as a foundation for an effective policy response. Related process should include a formal mechanism or channel for industry-government consultation and complaint hearings. (Vancouver)

Two participants thought that the "downside" of defensive legislation is that it may tie government and industry's hands, and bind government to a predetermined course of action if faced with a particular situation. This was viewed as not necessarily being in the broad public interest. The general feeling was that the subject requires careful study by government and the private sector, particularly with respect to developing a clearer definition of what constitutes cause for triggering countermeasures. The importance of prior government-industry consultation was emphasized in several workshops.

An improved role for Trade Associations

In the course of the seminar series it was suggested on several occasions that Canadian trade interests might benefit from improved liaison between industry associations, particularly to discuss the impact on Canadian trade of foreign shipping regulations, and possible means to resolve such situations. Some believed that a group such as the **Exporters Coalition on Canadian Maritime Policy** might be required to ensure an effective lobby in related discussions in Ottawa. A majority favoured activating committee discussion of these matters within existing industry associations such as the **Canadian Exporters Association**, or **Canadian Shippers Council**.

Criteria for future policy

A lot of time was spent in the workshops identifying and discussing the factors which, in the view of those present, should be considered when deciding an appropriate response to situations where Canada's trade interests are being threatened by the implementation of foreign shipping policy. At the same session participants sought the most appropriate means to ensure