

Another hopeful sign arose from the OECD's Agriculture Committee. At its meeting last December, that Committee recognized the seriousness of the problem as well as the need to deal with measures which distort trade. The Committee also noted that, "Public opinion and policy makers now recognize the seriousness of the problem and the urgent need to provide real solutions. It is essential that a series of complementary measures be rapidly taken so as to improve in the short term the functioning of markets and their equilibrium and to encourage the long-term adjustment of the agricultural sector."

Over the next few months, we will be receiving from the OECD the final conclusions to an extensive four-year study of agricultural policies and their implications for trade. I expect that the OECD Ministerial Council, which meets in May, will provide an opportunity for Ministers to reflect together on the international trading tensions in agriculture. Similarly, the Venice Summit of heads of government of the seven leading industrialized countries provides a further opportunity for world leaders to consider the full implications of the current impasse on agricultural trade.

All this talk is fine, but where does it lead us? What should you expect to see change as a result of our activities in the bilateral and multilateral contexts that I have referred to?

In the medium term, it is clear that we are heading toward an improved trading system for agriculture, with better, clearer rules which should minimize the scope for the kinds of disruptions that are making it more difficult for Canadian farmers to survive.

In the context of Canada/USA bilateral discussions, our negotiators have been tasked with developing a package which would improve market access for our products, improve disciplines on subsidies affecting trade and improve disciplines on technical regulations to prevent their use as disguised barriers to trade.

The timetable for these negotiations is shorter than that for the multilateral effort. The USA law authorizing the Administration to conclude these negotiations expires in January 1988. This means that, given the domestic process the Administration has to go through, the negotiators will have to decide by October of this year whether they can initial a draft agreement and recommend its acceptance to their governments. The USA Congress will then have 90 days to decide whether to accept the eventual package but it will not be able to pick and choose among the elements of the package. Obviously, the agricultural part of those negotiations will not be easy.