

THE GATT MINISTERIAL

I WOULD LIKE TO CONCENTRATE TODAY ON THE PRIORITIES WE SEE MERITING ATTENTION AT THE GATT MINISTERIAL IN NOVEMBER. AS YOU KNOW THE GATT SETS OUT THE CONTRACTUAL BASIS FOR MOST OF CANADA'S TRADE RELATIONS. IT HAS SERVED US WELL. I BELIEVE IT PROVIDES A FRAMEWORK IN WHICH CANADA CAN DEFEND AND ADVANCE ITS INTERESTS MORE EFFECTIVELY THAN THROUGH ANY BILATERAL AGREEMENT. IT IS A MATTER OF ABSOLUTE PRIORITY THAT WE STRENGTHEN THE GATT.

THE NOVEMBER MINISTERIAL, WHICH INCIDENTALLY CANADA WILL CHAIR, IS THE FIRST SUCH MEETING SINCE 1973. WHILE IT IS NOT INTENDED TO LAUNCH A MAJOR NEW ROUND OF TRADE NEGOTIATIONS IT IS EXPECTED TO AGREE ON A WORK PROGRAMME, A TRADE AGENDA FOR THE 1980'S SO THAT ISSUES OF CONCERN AND AREAS OF PARTICULAR INTEREST CAN BE ADDRESSED IN WAYS TO STRENGTHEN AND MAKE MORE RELEVANT, HENCE MORE CREDIBLE, THE SYSTEM AS A WHOLE. WE ATTACH THE HIGHEST PRIORITY TO A SUCCESSFUL RESULT AT THIS MEETING AND ARE PREPARING OUR CASE ON ISSUES OF SPECIAL CONCERN TO CANADA.

BASICALLY WE WANT THE INTERNATIONAL TRADING COMMUNITY TO COME TO GRIPS WITH A NUMBER OF PROBLEMS WHICH WERE NOT DEALT WITH OR WHICH WERE NOT HANDLED IN A SATISFACTORY MANNER IN EARLIER GATT NEGOTIATIONS.

1. THE EMERGENCE OF THE NEWLY-INDUSTRIALIZED COUNTRIES AS A MAJOR FORCE IN THE WORLD ECONOMY IS A CASE IN POINT. THESE ADVANCED DEVELOPING COUNTRIES (SUCH AS KOREA, BRAZIL, SINGAPORE) HAVE BENEFITTED ENORMOUSLY FROM SUCCESSIVE NEGOTIATIONS UNDER THE GATT. BUT THEY HAVE NOT SUBJECTED THEIR OWN IMPORT REGIMES TO THE SAME DISCIPLINE THAT HAS BEEN ACCEPTED BY THE DEVELOPED COUNTRIES. CANADA'S TRADE WITH THESE COUNTRIES HAS INCREASED DRAMATICALLY OVER THE LAST DECADE. OUR EXPORTS TO THE NEWLY-INDUSTRIALIZED COUNTRIES IN 1971 AMOUNTED TO LESS THAN \$900 MILLION ANNUALLY. THIS FIGURE HAD INCREASED TO ALMOST \$6 BILLION IN 1980. I CONSIDER THAT A KEY PRIORITY IN THE 1980'S MUST BE TO ENSURE THAT THESE COUNTRIES ACCEPT MORE OBLIGATIONS UNDER THE GATT. THEY MUST MAKE A CONTRIBUTION TO THE INTERNATIONAL TRADING FRAMEWORK COMMENSURATE WITH THEIR STAKE IN THE SYSTEM. THIS IS A GOAL WE SHARE WITH THE OTHER DEVELOPED COUNTRIES AND, I MIGHT ADD, WITH CERTAIN OF THE LESSER DEVELOPED COUNTRIES AS WELL.

2. EFFORTS TO NEGOTIATE A SAFEGUARDS AGREEMENT IN THE TOKYO ROUND FAILED. SUCH AN AGREEMENT, WHICH WOULD ELABORATE ON THE GATT PROVISIONS REGARDING EMERGENCY PROTECTION AGAINST IMPORTS CAUSING SERIOUS INJURY, WOULD PROVIDE A MORE ACCEPTABLE AND BALANCED FRAMEWORK FOR SUCH ACTION. A SYSTEM IN WHICH THE LARGER TRADING COUNTRIES OPERATING OUTSIDE GATT RULES CAN STRIKE ADVANTAGEOUS DEALS WITH SUPPLYING COUNTRIES