

D. Energy

1. *That Canada support the Energy Affiliate of the World Bank. Canada should itself contribute financially.*

The Government will continue to support the concept of an energy affiliate and to do whatever it can to persuade both revenue-surplus oil exporters and industrialized countries of its advantages.

2. *Canada should encourage projects which use renewable and locally available sources of energy.*

The Government concurs with this recommendation and will continue its active support for the UN Conference on New and Renewable Sources of Energy in a way which aims at positive and practical results. Project activities by

Petro-Canada International should get under way soon.

3. *That high priority be given to reforestation in Canadian agricultural aid.*

The Government concurs with the recommendation and it hopes that the UN Conference on New and Renewable Sources of Energy may provide occasion to develop initiatives in the area of reforestation and fuel wood use.

4. *That Canada work effectively with other industrialized countries to implement energy conservation measures.*

The active implementation of the National Energy Program will bring about major energy savings in a way consistent with our international undertakings.

E. Trade

1. *That the number of Trade Commissioners in developing countries which present expanding market opportunities be increased.*

As demonstrated in the Export Strategy Paper for the 1980's, the Government agrees with the desirability of improving our ability to seize export opportunities in the newly industrialized countries through, *inter alia*, the deployment of adequate resources by the Trade Commissioner Service in key areas, including, if necessary, increases in those resources.

2. *That increased Government assistance be provided to small and medium-sized companies in the private sector to help them to develop trade relationships with developing countries.*

Possibilities for further improving existing programs and for creating new facilities for market development are being kept under continuing review, particularly as they may benefit small and medium-sized firms seeking to do business in the Third World. Funding for relevant programs has recently been substantially increased.

3. *That there be better coordination and assessment of policies relating to import penetration and that overall responsibility be assigned to the Department of Finance.*

The Government will continue to give high priority to improving the coordination and assessment of import policies.

4. *That the Government review its import restraints, with a view to reducing discrimination against new entrants, in particular poorer developing countries.*

Outside the textile, clothing and footwear sectors, there are no quotas, voluntary restraints or other safeguard measures at present in effect protecting Canadian producers in non-agricultural sectors from fair imports from developing countries. The Government has been reviewing import policy for the footwear, textiles and clothing sectors and a Government announcement can be expected shortly.

5. *That the Government immediately launch a major public inquiry of the industrial sectors likely to be at a long-term disadvantage in relation to developing countries,*

with a view to adopting effective adjustment measures.

The difficulties of the Canadian industrial sectors which are most affected by the competition of developing countries are well known to the Government. Measures to help the competitiveness of these Canadian industries in the present international trading environment are already being taken or are in the course of being formulated. Public inquiries concerning these industries have recently been conducted by the Textile and Clothing Board and the Anti-Dumping Tribunal (on footwear). The Government will be taking decisions shortly. When the decisions are announced, the Government will be in a position to make known the factors leading to the positions adopted.

6. *That Canada support the attempt to devise a "social clause" in the General Agreement on Trade and Tariffs (GATT) which would hold the signatories to a fair labour standards code.*

The Government has been supportive in the International Labour Organization (ILO) of international initiatives which encourage the development of improved working conditions in developing countries. However, the introduction of a "social clause" in the GATT, enforced by a right to impose trade sanctions for non-compliance, is not considered likely to accomplish this aim.

7. *That Canada ratify the Common Fund Agreement and make the financial contributions it entails.*

The terms of this recommendation are currently being met.

8. *That the General Preferential Tariff be extended to include all of the manufactured products of the world's poorest countries and that graduation criteria be established to identify those countries no longer in need of preferential treatment.*

This recommendation is being taken into account in the current Government review of what measures might be implemented under the General Preferential Tariff to improve access to the Canadian market for products of the developing countries. The results of this review are expected to be announced shortly.