

The non-tariff agreements include agreements on subsidies and countervailing duties, technical barriers to trade, government procurement, import licensing procedures and customs valuation; a revised agreement on anti-dumping duties; and an understanding on ways in which certain of the general obligations of the GATT should in future be applied with a view to improving the international trading framework, including the provision of a firmer basis for special and differential treatment for developing countries.

The following release contains detailed summaries of these important agreements and their implications for Canada. In general, when accepted and implemented by our trading partners, they will bring under better control many non-tariff barriers which have faced our exporters. There will be a desirable gain in "transparency" as to the various practices of other governments which can impair access to their markets. Moreover, improved international surveillance and dispute settlement procedures have been agreed to help ensure that the anticipated benefits will in fact be realized.

The new agreement on subsidies and countervailing duties and the agreed revisions to the existing anti-dumping code will strengthen Canada's capacity to deal speedily and effectively with unfair trade practices and injurious imports. At the same time, the new rules will limit the capacity of foreign governments to act arbitrarily against Canadian exporters. Acceptance by the U.S. government that injury must be found before countervailing duties can be applied is a particularly notable gain for Canada.

The agreement on valuation will establish uniform rules to be applied by all governments in determining the value of imported goods for customs purposes. Canada has indicated that it would be willing to bring its valuation system into conformity with the agreement only on the understanding that we would be free to take measures to offset any significant loss of protection that might result and that Canada would have four years to make the change.

In most cases, to allow time for the legislative changes which are involved for most participants, the above non-tariff agreements are expected to enter into force in the course of 1980-81.

Final agreement on "safeguards", that is to say, emergency action against injurious imports, has not yet been reached. Negotiations are, however, continuing, particularly as regards the application of safeguards against one or more countries rather than against all sources of such imports as is presently required by the GATT.