

The issues of protectionism and world trade liberalization have been prominent at all Summits. In the late 1970s, leaders gave support and impetus to the Tokyo Round of Multilateral Trade Negotiations (MTN), which was successfully concluded in 1979. Following a commitment at the 1986 Tokyo Summit, the Ministers of the GATT Contracting Parties, including Canada's Secretary of State for External Affairs, Joe Clark, met in September 1986 at Punta del Este, Uruguay, to launch a new round of Multilateral Trade Negotiations. The negotiations of the Uruguay Round are the largest and most ambitious yet undertaken, and will establish the blueprint for international trade relations until the end of this century and beyond.

The MTN represent a challenge and an opportunity for Canada to help identify forward-looking solutions to the current and emerging problems facing the international trading system. Canada approaches the Uruguay Round with a sense of urgency, determined to fight protectionist threats, to enhance the rule of law in international trade and to restore the momentum towards further trade liberalization.

The Ministerial Declaration at Punta del Este demonstrated the participating countries' commitment to the process, and outlined the challenging negotiating agenda. The Declaration

- greatly strengthens the commitment to stop the introduction of new protectionist measures and to promote policies that will remove barriers to trade (standstill and rollback);
- includes for the first time specific objectives for across-the-board negotiations on agriculture, which embrace not only improved market access but the application of multilateral disciplines to the use of all direct and indirect subsidies and other measures that distort trade;

- aims to reduce or eliminate tariff and non-tariff barriers, in order to improve market access conditions;
- includes new issues such as trade in services, intellectual property, trade-related investment measures;
- specifies a series of institution-building and rule-making measures to reinforce and extend the mandate of the GATT.

At the Venice Summit in 1987, the Summit leaders reaffirmed their support for the multilateral trading system and the Uruguay Round. There was recognition that predatory and protectionist trade practices cannot be continued and that the Uruguay Round negotiations must be quickly advanced. The Summit countries committed themselves to tabling comprehensive proposals for negotiations and supported the call for a MTN mid-term review by Ministers. It was agreed that one of the goals of the MTN should be early results. In their communiqué, leaders recalled the undertaking at Punta del Este that agreements reached at an early stage might be implemented prior to the end of the Round.

When the Uruguay Round was launched in 1986, it was agreed that it would end in four years. The Mid-Term Review Conference of the MTN at the ministerial level is to be held in Montreal in the week of December 5, 1988. It will provide an opportunity to review and consolidate the achievements of the first two years of the talks and give added impetus for the decisive final phase.

Canada, which derives 46 per cent of its gross domestic product from merchandise trade, is playing a constructive role in the MTN to lower global trade barriers and create more transparent and effective rules of the game. It is important for Canada to have a strong GATT that is credible both to trading countries and to business people involved in trade. To this end, Canada is working with its Summit partners to devise means of strengthening the GATT system and reinforcing its effectiveness.