

The form of foreign control could alter as MNEs respond to reduced trade barriers with corporate strategies that integrate Canadian subsidiaries by rationalization or world product mandates.

Taxation is probably the most important policy influence on our trade patterns. Labour costs are the major determinant of both our trade patterns and foreign investment flows.

TRADE POLICY AND THE SYSTEM OF CONTINGENCY PROTECTION IN THE PERSPECTIVE OF COMPETITION POLICY

**Prepared by Rodney de C. Grey
February 1, 1986**

**To be published by the Department of Consumer and
Corporatate Affairs.**

Description

This paper considered a range of trade policy measures applied in the U.S., Canada and the EEC in relation to competition policy and the extent of contradictions between the two policy objectives.

Highlights

The paper proposed a considerable tightening-up of the contingency protection system because it was seen as providing more restrictive action than the economies of importing countries, and their political systems, could afford.