



# STATEMENTS AND SPEECHES

CANADA

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## No. 66/49 CANADA'S TRADING POLICIES AFTER THE "KENNEDY ROUND"

Extracts from a Speech by the Honourable Mitchell Sharp,  
Minister of Finance, to the International Conference of  
the Private Planning Association of Canada, November 18,  
1966.

I would like to speak for a few minutes about what I think are the main commercial policy issues to which we must look forward after the "Kennedy round". And I suggest that there are four questions of major importance. The first question: how to accommodate ourselves to the regional groups that do now exist, and in particular the European Economic Community and the European Free Trade Area, and how to avoid a split in the Atlantic community between the European Economic Community and the rest of us. Secondly: how to meet the increasingly urgent needs of the less-developed countries for export earnings. Thirdly: how to trade with the state-trading countries. And fourthly: ...how to maintain the momentum and make further progress in the removal or deduction of trade barriers generally.

Now how do we live with the European Economic Community? One approach, which was taken vigorously by the United States, was to initiate the "Kennedy round", which was directed primarily at reducing the barriers between the European Economic Community and the rest of the world. The other approach has been the approach of the United Kingdom and the other EFTA members, of trying to join the European Economic Community. We have all been very interested in the recent statements by the Prime Minister of Britain, about British policy towards the Community. We hope that the desire of the United Kingdom and others to follow this second course -- that is, to reduce the degree of trade discrimination by joining the EEC -- will not inhibit the efforts that are under way under the "Kennedy round" (and, I hope, after the "Kennedy round") to reduce trade barriers generally. And I'm sure everyone here will agree that there is no inconsistency whatever between a good "Kennedy round" -- towards which the Canadian Government is working -- and the efforts of the EFTA members to join the EEC. As I see it, a good "Kennedy round" would ease the effects on outside countries of British entry into the European Economic Community and would, in particular, ease the effects upon the less-developed countries, who do not enjoy the preferences the European Economic Community extends to the former colonies of its present members.

Now, on the question of the trade requirements of the less-developed countries, I'm very happy to see, from the brief time that I had in order to devote to your papers, that this aspect of the matter has not been ignored in your discussions this week. I read Professor English's paper with particular interest in