

# Executive Summary

The following conclusions and recommendations reflect the considered opinion of senior representatives of Canada's trade community who, in a series of meetings held in six major cities, discussed and debated the phenomena and effects of shipping related problems recently encountered in certain trades with developing world countries.

Dialogue was structured to focus attention on the sensitive policy issues which lie at the heart of the problems being encountered, and to allow consolidation of the results collated from different workshops, each addressing the key questions listed in Appendix C.

In this successful collaborative experiment in communication, a broad cross-section of the trade community has sketched for the urgent consideration of ministers the framework of a pro-active policy designed to cope with the realities of today's transportation and trading environment.

The Exporters Coalition on Canadian Maritime Policy, representing seventeen major trading associations across Canada, has concluded:

- that the principle of "free circulation of shipping in international trade in free and fair competition" continues to be eroded, and does not apply in a growing number of trades with the developing world.
- that as a consequence, Canadian trade interests are being negatively affected. Sales are being lost, and profits reduced.
- that Canadian exporters view transportation as one important component of trade policy, and as such believe government should act accordingly and expeditiously to safeguard Canadian interests, where these are jeopardized.
- that Canadian shippers advocate two-way trade in services, and respect the right of other states to adopt measures to support the development of national fleets. Foreign flag shipping is welcome to compete in all Canadian trades. Canadian trade does not however accept the imposition of a foreign shipping monopoly, either as a consequence of government edict, or through the performance of a shipping cartel.
- that aberrations in the performance of international shipping require the adoption of new approaches by Canadian industry and government in order to better protect and expeditiously represent Canadian trade and port interests.
- that "cargo sharing" has become a unfortunate fact of life in today's shipping environment. Canada has not addressed the need to accommodate this reality, and until it does, will be unable to develop working relationships with countries which have adopted such legislative means to support national shipping.
- that in developing approaches appropriate to the performance of today's shipping market, Canadian exporters support the objectives and tenets of the OECD Code of Liberalization of Current Invisible Operations, and the OECD Recommendations on Shipping.
- that the process of consultation between Canadian trade interests and government on trade and shipping matters should be formalized to facilitate dialogue on issues as they arise, and allow expeditious and coordinated response through commercial or governmental channels as circumstances dictate.
- where government to government consultations are necessary to resolve difficulties encountered by Canadian interests in foreign trade, negotiators should "have sufficient arrows in their quivers" and be armed with a mandate adequate to resolving the issue.

The Exporters Coalition therefore urges the Minister of International Trade, in collaboration with the Minister of Transport and Canadian commerce, to consider for adoption the following recommendations:

- the introduction of an issue related process of industry-government consultation on trade and shipping matters.

In this respect all six meetings endorsed the earlier recommendation of the Task Force on Deep Sea Shipping which identified the need for an Advisory Council to government consisting of representatives from trade, shipping, labour and government, to monitor developments in international shipping on an ongoing basis. The Coalition also recommended that members to the Council be nominated by the private sector.