

Agriculture Minister John Wise said "Canadian farmers are efficient producers who enjoy many advantages and produce high quality food products. To continue to develop Canadian agriculture, it is essential that all countries collectively adopt a coordinated, legally binding reform of trade and subsidy rules. Given a level playing field, Canadian farmers can compete".

Under the Canadian proposal, all countries would have to ensure that domestic policies and programs to address the specific needs of their farm sectors do not distort trade. Furthermore, in assessing the trade impact of programs, credit could be given to countries which effectively control the output of farm products.

In this context, Mr. Wise noted that Canada will be seeking credit for the fact that our system of supply management is in conformity with GATT rules.

The agriculture minister contrasted Canada's supply management programs with the open-ended support programs of other countries, which have generated massive surpluses. These surpluses have been dumped on world markets and have resulted in depressed and distorted world prices.

"In these negotiations, Canada will be pressing other countries to live up to the GATT rules or to accept new equivalent disciplines on the basis of a mutually acceptable reform of the agricultural trading system," the Minister of State (Agriculture), Pierre Blais, said.

The Canadian proposal, along with others put forth by the GATT members, will be the subject of intensive negotiations over the coming year. Canada's aim is to reach agreement by the end of 1988 on a common approach to reforming world agricultural policies affecting trade, including decisions on how trade-distorting practices will be measured and then reduced. The second stage would involve each country tabling its implementation plan. Following this, the results of the negotiations would be phased in gradually over a number of years.

Charles Mayer, Minister of State (Grains and Oilseeds), said he hoped that the negotiations and the spirit of reform behind them will hasten the introduction of short-term measures to address immediate problem areas -- grains and oilseeds in particular.