

As importers, Mr. Lumley said, Canadians will benefit from the provisions of the Sixth ITA, particularly moderation of the export controls and the increase in the buffer stock. Better stock provisions are expected to dampen wild market swings in prices and thus help control speculation.

Terms of the agreement provide for a substantial increase of the buffer stock to be jointly financed by producer and consumer countries. A new and desirable element of the agreement is the provision for automatic moderation of export controls as the tin market price recovers.

During the negotiations for the Sixth ITA, which started in April 1980, Canadian negotiation objectives were met. Canada recommended an agreement that would provide a balance of rights and obligations for producing and consuming members: mandatory consumer participation in the financing of the buffer stock; and improved conditions for the use of supplementary export control measures.

The buffer stock of the Fifth ITA was financed through mandatory contributions by producing countries and voluntary contributions by consuming countries. Canada, along with several other consuming countries, made such voluntary contributions.

Successive International Tin Agreements have provided a continuing forum for producer-consumer dialogue on tin, Mr. Lumley said. Canadian participation in the Sixth International Tin Agreement provides a continuing opportunity to safeguard Canadian interests in International Tin Council decisions and discussions including those concerning price range and prospective supplies.