

Mr. Crosbie welcomed the determination of participants to resolve this before the end of the year and to consider seriously an American proposal to table offers by January 30, 1990.

"Canada's objective in looking at the market-access issues and opportunities before the MTN has been to develop an approach that would lead to the widest, most comprehensive and balanced market-access results possible for both tariffs and NTBs, including restrictive government procurement practices. This is an area of primary importance to Canada. We have seen the benefits of increased market access negotiated in earlier GATT rounds."

GATT Rules and Disciplines

"From a Canadian perspective, there are three essential areas on which the negotiations must succeed and provide comprehensive and balanced solutions: subsidies and countervail, safeguards, and dispute settlement", Mr. Crosbie said. "The results in these areas will not only determine the fate of the GATT, they will also determine our capacity to maintain a more predictable trading environment in which our businesses can plan and invest with confidence."

"Canada has put forward a comprehensive proposal on subsidies and countervailing measures and we attach a high priority to achieving a major reform of the GATT rules in this area. We want to create a system of agreed rules so that we will not live under the constant threat of countervail or of unilateral determination of what constitutes fair and unfair government assistance."

On the question of what constitutes "fair", Mr. Crosbie said : "Constraints on subsidies must be accompanied by equivalent constraints on the countervailing procedures, which must include some reasonable understandings on the conditions under which legitimate areas of government assistance for regional development and research and development, for example, should not be regarded as trade-distorting."

He welcomed the United States' intention to table its proposal at an early date and to seek to complete the negotiations in this area by next July.

"The whole system of GATT rules, whether they deal with fair or unfair trade conditions, must be clear and be effectively enforceable. But it must operate fully within the principles of the multilateral trading system. We need to build on our achievements in Montreal on dispute settlement procedures, to ensure that for all matters subject to the Uruguay Round agreements, there will be no room for unilateral interpretations of our respective rights and obligations."