

	1986 Exports (\$ billions)	% Change from 1985	Source country (if over \$50m)	% Share from each source country
12. Apparel and apparel accessories	2.2	+21.6	Hong Kong	17.8
			South Korea	15.8
			Japan	6.9
			FRG	4.4
			UK	3.4
			China	3.2
			Taiwan	3.1
			Hong Kong	2.6
			France	2.5
13. Textiles and fabricated materials	2.1	+11.6	US	43.4
			Italy	7.5
			South Korea	7.0
			Japan	6.9
			FRG	4.4
			UK	3.4
			China	3.2
			Taiwan	3.1
			Hong Kong	2.6
France	2.5			
14. Metals in ores, concentrates and scrap	2.0	+18.0	US	63.3
			Australia	8.5
			Jamaica	6.4
			Brazil	3.5
			Japan	2.9
15. Precious metals including alloys	1.9	+27.6	US	96.3

Developments in trade policy

The cornerstone of Canada's foreign trade policy — the multilateral trading system — is based upon principles and objectives embodied in the General Agreement on Tariffs and Trade, and upon instruments and activities under the auspices of the Organization for Economic Co-operation and Development, the United Nations Conference on Trade and Development and other multilateral and plurilateral organizations and informed groups. Canada was active in the full range of work of these bodies throughout the year under review.

General Agreement on Tariffs and Trade

Ministers, meeting on the occasion of the Special Session of Contracting Parties at Punta del Este, September 15-19, 1986, adopted the Declaration launching the "Uruguay Round" of Multilateral Trade Negotiations. The MTN agenda is the most comprehensive and ambitious yet undertaken to strengthen the GATT and to bring about further liberalization and expansion of world trade. Slated for negotiations over the next four years are: market access (e.g. tariffs, non-tariff measures, natural resource-based products, textiles and clothing); agriculture; tropical products; the GATT articles; safeguards; MTN Agreements and Arrangements; subsidies and countervailing measures;

dispute settlement; trade-related aspects of intellectual property rights; trade-related investment measures; functioning of the GATT system; and trade in services.

Work continued during the year to prepare the Canadian position for negotiations on tariff and other concessions which will be required of China and Bulgaria in the course of their accession to the GATT. Negotiations with China are already underway and negotiations with Bulgaria were due to begin in the spring of 1987. Costa Rica has also requested accession to the GATT. Agreement was reached on the accession of Morocco and Mexico.

Some of the other GATT-related activities in which Canada was involved during 1986-87 are described below.

Agreement on government procurement

Canada participated in the negotiations which produced an accord to improve the procedures of the Agreement on Government Procurement. The improvements are expected to come into force on January 1, 1988. The Agreement, to which the major industrialized countries adhere, opens up a portion of the procurement of goods by its member governments to international competition.

Liquor boards

After an initial request by the European Community to establish a panel to examine alleged discriminatory