

international debate. Many of these disagreements arise from a lack of clarity or rules governing trading relationships or from conflicts between domestic policy-making and international trading obligations.

These issues, and many more which fill up the international trade agenda, bring into sharp focus the differences of view as to countries' rights and obligations with respect to trade measures. They are the symptoms of the increasing complexity of linkages between domestic and trade policy as well as of the erosion, over time, of the authority of the GATT.

It is an examination of these difficulties which has led Canada to the conclusion that there is a need to liberalize trade rules. And that need is even more urgent for agriculture than for other products. That is why we promoted the launch of a new GATT round, although we have not confined our efforts to the GATT.

For example, with respect to agriculture, the Prime Minister took the initiative of raising agriculture at the Tokyo Summit last May. In preparation for those discussions, the Prime Minister and a group of Ministers met with key farm leaders. As a result, the Prime Minister carried into the Summit the acute concerns of Canadian producers. Tokyo was the first occasion when heads of governments of the most important countries in the world publicly recognized that adjustments to agricultural policies were required.

Since then, Canada has participated in meetings with other like-minded countries to continue to promote the need for fundamental reforms of policies which affect trade directly and indirectly. It is clear that, without reforms of such policies in all of the major trading countries, we would have to continue to live with subsidized competition from abroad in our own domestic market as well as in the export markets which we have traditionally served. And the simple fact is that we can ill afford such expenditures on a continuing basis. The efforts at coordination of our approach with that of like-minded countries, which have focussed on the new round of GATT negotiations, were useful in securing in the GATT a suitable and forward-looking mandate for the new round.

The Secretary of State for External Affairs has referred publicly on certain occasions in the past to a possible Canadian initiative to commission a group of international experts to examine agricultural trade problems and to recommend some possible solutions, particularly with respect to the shorter term. We very much regret that the international consensus which was a prerequisite to the