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TRADE MINISTER CROSBIE COMMENTS ON CAIRNS GROUP

MEETING IN NEW ZEALAND

Waitangi, New Zealand, March 19, 1989: International Trade Minister John Crosbie met with ministers from the Cairns Group of agricultural exporting countries in Waitangi, New Zealand, March 17-19, to seek their cooperation to develop a strategy for dealing with the stalemate over agriculture in the current Uruguay Round of Multilateral Trade Negotiations.

At the conclusion of the Waitangi meeting, Cairns Group Ministers issued a statement urging the European Community to modify its negotiating position in a way which would enable agreement on "a negotiating framework that would provide for the establishment of an open, fair and market-oriented agricultural system and bring agriculture fully within strengthened GATT rules and disciplines".

Mr. Crosbie said that there had been some positive changes in the negotiating environment since Montreal, including flexibility on the part of the United States which now agrees that the complete elimination of trade distorting supports and protection is no longer a precondition for negotiating agricultural trade reform. The USA and the EC have also recently commenced a dialogue aimed at narrowing differences.

Commenting on Canada's negotiating objectives, Mr. Crosbie stated, "The long-term health of Canadian agriculture requires improved and secure access to world markets, a substantial reduction in trade distorting subsidies and new trade rules that will apply equally to all competitors in world markets".

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He said there was a reasonable chance that a negotiating framework for long-term reform of agricultural trade could be agreed at the coming meeting of the Trade Negotiations Committee in Geneva. The negotiation of this reform would be facilitated if all major participants committed themselves not to increase export subsidies, trade distorting supports as well as market access barriers.

Participation in the Cairns Group ministerial meeting in New Zealand was one of a series of consultations that Mr. Crosbie has had since Montreal in order to help overcome the present impasse to the GATT negotiations. He has met with the United States, the European Community, Japan and Australia. He has also kept in close continuing contact with Arthur Dunkel, Director General of the GATT who was charged at Montreal with the task of seeking to develop the necessary consensus to successfully complete the Mid-Term Review of the MTN begun at Montreal.

Mr. Crosbie said that the GATT Director General had been devoting intensive energy to completing his task. He was pleased that all Cairns Group Ministers shared the need to continue to support fully Mr. Dunkel in reaching a reasonable outcome to the current impasse.

Commenting on the outcome of the Cairns Group meeting in New Zealand, Mr. Crosbie noted, "The Cairns Group is committed to securing a positive result on agriculture at the TNC meeting in April. Agriculture is at the heart of the Uruguay Round and failure to obtain a satisfactory agreement in April would seriously jeopardize overall prospects for the Uruguay Round and represent a major setback to efforts to strengthen the multilateral trading system."

The Cairns Group of Ministers, said Mr. Crosbie, urged Japan to play a more active role in the process of agricultural reform.

The Cairns Group comprises Argentina, Australia, Brazil, Canada, Chile, Colombia, Fiji, Hungary, Indonesia, Malaysia, New Zealand, Philippines, Thailand and Uruguay.

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