

Minister of Industry,
Science and Technology and
Minister for International Trade



Ministre de l'Industrie, des
Sciences et de la Technologie et
ministre du Commerce extérieur

Statement

Déclaration

93/44

AS DELIVERED

**AN ADDRESS BY THE HONOURABLE MICHAEL WILSON,
MINISTER OF INDUSTRY, SCIENCE AND TECHNOLOGY AND
MINISTER FOR INTERNATIONAL TRADE,**

AT THE

OECD MEETING OF COUNCIL AT MINISTERIAL LEVEL

"OECD IN AN INTERDEPENDENT WORLD"

**PARIS, France
June 3, 1993**

Mr. Chairman:

Expanding the Organization for Economic Co-operation and Development (OECD)'s relations with non-member countries is in the best interests of all members.

Canada has pressed the OECD to develop its program of contacts with non-members because we believe that the OECD has much to offer -- and to learn -- from the major emerging actors in the world economy.

Through the unique abilities of the OECD, we can facilitate the integration of non-members into the international economic system, and promote and support economic and political reform.

No less important, dialogue with non-members, particularly those who are increasingly important trade partners, enables us to learn more about their economies and their policy-making.

The OECD's relationships with non-members vary, depending on the level of economic interaction. Canada strongly supports continuing this open yet differentiated approach. We have seen that a number of countries have moved toward much closer economic co-operation with the OECD as their economies have developed.

Mexico and Korea stand as clear examples. Both have become active participants in many OECD committees, making valuable contributions and drawing benefit from the experience.

Using the premise generally accepted in the OECD that potential members should be market-oriented democracies with large economies that interact significantly with current OECD members, we believe that Mexico is ready for membership now, and that Korea will be so in the near future.

Mexico has demonstrated its commitment to the values shared by OECD countries by implementing significant economic policy reforms, liberalizing trade, establishing the legal framework for abiding by OECD codes on investment, and by working to improve its record on human rights and environmental protection.

These major steps have made the Mexican economy more dynamic and have accelerated its interdependence with the rest of the world. This reinforces the importance for OECD dialogue and peer review on Mexican trade and economic issues for all of us.

From my own experience in negotiating the North American Free Trade Agreement, I am firmly convinced that Mexico is ready to be invited to join the OECD. It is in our interest as an organization as well as in theirs. We look forward to seeing our Mexican colleagues around this table at the next ministerial meeting.

Mr. Chairman, some countries of Central and Eastern Europe and the former Soviet Union have also made considerable efforts toward reforming their economic and political systems.

We believe that, for the most part, the OECD's Centre for Co-operation with European Economies in Transition addresses their priorities in areas where we feel that the OECD has a "comparative advantage."

The program evaluation now under way will help us assess how effective the centre is. We will take it into account in our position on the work program and budget exercise.

Looking ahead, Canada supports ongoing co-operation between Russia and the OECD, and welcomes their request for more extensive ties with the organization. This will enable Russia to assess its interests and contributions, while benefiting from participation in discussions on a number of sectoral and macroeconomic policy issues.

We also need to engage in further and more refined senior level policy dialogues with these countries. The high-level meeting last month was not perfect, but it was an important first step toward a more effective two-way dialogue.

Mr. Chairman, we have a special responsibility to work together on the challenge of development co-operation and to speed the process of integrating all countries into the international economic system. It is important to enhance the quality and focus of our assistance.

We need to use the strengths of the OECD to ensure that all of our policies affecting developing countries are mutually reinforcing. Therefore, Canada supports work on improving the coherence between development co-operation policies and policies in the areas of trade, investment and the environment.

Fiscal constraints and additional pressures compel us to ensure that our collective resources are being put to their best uses. We turn to the OECD to provide analysis and policy advice to deal with these new realities.

Migration is posing new challenges, which call for solutions based on international co-operation and prevention, as well as cure. The Madrid conference on migration, co-sponsored by Canada, underscored the need for comprehensive development strategies to reduce emigration pressures and to contribute to the manageability of migration flows.

The OECD should continue to analyze immigration trends in a multidisciplinary manner, with particular attention to the linkages with aid, trade, and foreign direct investment.

Congratulations are also in order on the work of the informal dialogue with dynamic non-members. The meetings held to date have been productive and informative.

The decision to extend the dialogue for certain issues is one which we strongly support.

Concerns have been expressed that, in the trade-off between the OECD's core work and its co-operation with non-members, the traditional economic work for members will suffer.

This need not be the case. The priority for the Organization remains work for its members. However, by maintaining a network of open contacts with countries who are building economic and political systems in harmony with our own, members and non-members alike can work together in pursuit of the goals of economic growth, free multilateral trade and development. These are not mutually exclusive. Rather, they are mutually reinforcing.

In conclusion, Mr. Chairman, I want to comment on the very sensible suggestion made by our Swedish colleague this morning that we should have a more strategic approach to our relations with non-members. His proposal for the establishment of an "Eminent Person's Group" to address this matter strikes me as one which deserves support. It could make a valuable contribution to our understanding of how to orchestrate our relations, programs and dialogue with non-members, to greater benefit of all concerned.

I also find the idea of separating the Centre for Co-Operation with European Economies in Transition from the OECD (in the same way as the IEA [International Energy Agency]) is an intriguing one. I believe that we should ask the Eminent Persons' Group to look specifically at this idea.