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Statement

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**STATEMENT BY THE CANADIAN DELEGATION AT THE
CONCLUSION OF THE BRUSSELS SESSION OF THE
URUGUAY ROUND TRADE NEGOTIATIONS**

DECEMBER 7, 1990

Canadian Delegation:

**John C. Crosbie, Minister for International Trade
Don Mazankowski, Deputy Prime Minister and Minister of
Agriculture**

Michael Wilson, Minister of Finance

Benoit Bouchard, Minister of Industry, Science and Technology

**Pierre Blais, Minister of Consumer and Corporate Affairs and
Minister of State (Agriculture)**

Charles Mayer, Minister of State (Grains and Oilseeds)

Canada

The following statement was delivered December 7, 1990, by John C. Crosbie, Minister for International Trade and head of the Canadian delegation.

Though Canada is very disappointed that this meeting was not able to produce a successful end to the Uruguay Round, we are heartened by the progress achieved on a number of issues and by the fact that the Uruguay Round will continue in Geneva.

I must say, however, that I find it frustrating that we are still at this point after four years of intense negotiations.

What we all need now is calm and reason in our assessment of where we stand and what we will do. We must not allow acrimony or recrimination to make future progress even more difficult.

At the same time, we must be clear about the cause of this current impasse -- it was a lack of political will to deal satisfactorily with agricultural issues. Hopefully, this pause in the talks will prompt all of us to do some soul searching and to stiffen our resolve so that we can get down to business when the talks continue in Geneva.

It is clear that the European Community's position on agriculture made an agreement this week impossible. I hope they will use the next little while to reconsider their position and that others will cease to have too high expectations of what can be achieved.

Canada and other participants in this Round have said from the outset there could be no deal without an agreement on agriculture. We were not bluffing. The failure of the EC to recognize and respond to the fundamental requirements of Canada, the rest of the Cairns Group, the U.S. and many of the developing countries on the agriculture issue made it impossible for the Round to conclude successfully this week.

Canada will participate fully in the continuing negotiations. We are determined to achieve the kind of outcome in Geneva that has eluded us in Brussels.

There was progress in a number of areas such as safeguards, subsidies, countervail and antidumping, textiles and services. Thanks to the proposal put forward by Canada in concert with a number of other countries, financial services is another issue where substantial progress was made in Brussels.

We are disappointed, but not disheartened. In fact, Canada has too much at stake in a number of sectors to allow us to lose hope or to lessen our commitment to a successful conclusion of the Uruguay Round. We need a comprehensive agreement that would, for the first time, cover the key sectors of agriculture and services and provide a modern and effective method of settling trade disputes.

We will not give up on this process. Canada and all other trading nations must do everything possible to maintain the impetus toward more liberalized world trade.

In the meantime, Canada will press ahead with its trade interests in areas where progress can be made. The problem of reaching agreement in the multilateral trade negotiations (MTN) shows how vital the Canada-U.S. Free Trade Agreement (FTA) is to our economic future.

We will continue to pursue our two-track trade policy in the belief that regional trade liberalization must be complemented by a strong multilateral trade system.

We will pursue every international opportunity for liberalized trade. In addition to the MTN and FTA, we intend to continue our consultation on the trade initiative involving Mexico and the United States. We will also be active in international economic forums such as the Asia Pacific Economic Co-operation group and the Cairns Group in order to advance the cause of a more open international trading system.

Let me remind you why Canada entered this Round. We had and still have five major objectives: to improve market access; to bring agricultural trade under the General Agreement on Tariffs and Trade (GATT); to develop a new framework for trade in services; to have fairer and more equitable GATT rules; and to make the GATT's institutional framework stronger.

We want to express our appreciation to provincial and private sector representatives who were with us here this week. The co-operation of the provincial representatives was important during what often was a trying week. The advice of the private sector representatives was a source of strength for our delegation.

We will now make every effort to successfully conclude the Round in Geneva early in the new year.