

# Statement

Minister for  
International  
Trade



# Déclaration

Ministre du  
Commerce  
extérieur

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BY THE MINISTER FOR INTERNATIONAL TRADE

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Affaires extérieures et  
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International Trade Canada

Canada

Welcome.

- I am in Geneva at a critical stage of the Uruguay Round. With only eight months left before the Brussels Ministerial Meeting, we have reached a watershed in the negotiations.
- There is an enormous amount of work to be done and little time left to accomplish the goals that we set for ourselves in Punta del Este when this Round was launched in 1986. Immediate progress must be made in all aspects of the Round if we are to be successful.
- Canada is committed to achieving a large result in the Round across the entire spectrum of issues under negotiation. A substantial, balanced outcome on all these issues is essential for the success of the Round.
- I have scheduled a series of meetings this week with key participants in the negotiations. I have already met with ambassadors from Latin American countries and will be meeting with those representing participating countries of the newly-founded Asia-Pacific Economic Cooperation (APEC) Group.
- I will be meeting with the Director-General of the GATT, Mr. Arthur Dunkel, this evening.
- These meetings will allow me to address issues of particular concern to Canada.
- Points which I intend to emphasize include:
  - a) The Market Access negotiations remain a key priority for Canada. The pace of the negotiations must be accelerated and existing tariff reduction offers must be expanded and improved if we are to achieve a successful, substantial and balanced result.
  - b) A successful conclusion, on Agriculture, including elimination of export subsidies, will be necessary to have an overall successful MTN outcome. Canada also wants progress on how GATT Article XI should be clarified.
  - c) Integration of the Textiles and Clothing sector fully into the GATT is a central task of the Round. We have recently tabled a proposal which recommends a fully non-discriminatory approach to this reintegration.
  - d) Many of the current Trade Rules disciplines are not adequate to deal with the realities of today's trading environment. Substantial increased disciplines in the areas

of Subsidies and Countervail are required as well as in the areas of Safeguards, Anti-Dumping and Balance of Payments.

e) We continue to work for far-reaching results in the so-called "New Issues" areas of Services, TRIPS and TRIMS.

- I am also using the occasion of my trip to Geneva this week to launch a new Canadian initiative to revise the GATT institution through the formation of a new World Trade Organization. This comprehensive initiative includes, as a cornerstone, a comprehensive, integrated approach on Dispute Settlement.

- Since the beginning of the Uruguay Round, Canada has been actively seeking to strengthen and improve the functioning of the multilateral trading system. We believe that the existing rules and institutions that govern international trade need to be significantly reformed.

- Rapid and dynamic changes have been taking place in the world political and economic environment since the Uruguay Round was launched. These changes include:

- Changes in Eastern Europe
- Increasing regionalism
- Unilateralism
- Increasing GATT membership
- The role of developing countries

- The conclusion of the Uruguay Round provides a unique opportunity to build a strong and vibrant World Trade Organization equipped to deal with the new multilateral trade agreements and the challenges of the future.

- Our initiative calls for a number of key steps to be taken to bring about this world trade organization. What I have in mind is:

- (a) Having a work programme set in place during the concluding months of the Round to provide the basis for a decision at the Brussels Ministerial Meeting next December for the establishment of the Organization; and
- (b) While detailed arrangements might be worked out after Brussels, the structure of the new World Trade Organization would be an important part of the Uruguay Round package that would be presented for legislative approval by governments for the implementation of the MTN results.

- The foundation already exists to embark on a comprehensive institutional initiative. Most of the elements of an institutional package are already the subject of negotiations in various Negotiating Groups.

8 - Efforts are underway to improve the multilateral dispute settlement system, to improve GATT decision-making and to

facilitate greater coherence in global economic policy-making between the GATT, the IMF and the World Bank.

- I am confident that we will be able to obtain a political commitment by ministers at Brussels on a package of reforms which would include:

- a) A framework to ensure the integrated operation of the various GATT and MTN agreements;
- b) A more coherent, effective and truly multilateral dispute settlement system that would reduce the threat of unilateralism to enforce trade agreements;
- c) A permanent mechanism to monitor trade policy developments; and
- d) A capacity to interface effectively with the IMF and World Bank.

- We recognize that there will be a number of concerns relating to this initiative over the final months of the Uruguay Round. Nevertheless I believe that the active participation of so many large and small countries in the Round confirms the importance they attach to the renewal of the multilateral trading system, and the opportunities offered in these negotiations.

- I would like to emphasize that I see a large substantive result as a prerequisite for a World Trade Organization. This result must include all the key areas under negotiation, including Agriculture, Market Access, Services and Trade Rules.

Thank you.