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CANADA CONTINUES TO PRESS FOR CLARIFIED ARTICLE XI IN GATT AGRICULTURE TALKS

The Honourable Michael Wilson, Minister of Industry, Science and Technology and Minister for International Trade, the Honourable Bill McKnight, Minister of Agriculture, and the Honourable Pierre Blais, Minister of State (Agriculture), today announced that Canada, supported by Israel, Japan, Korea, Norway and Switzerland, has made a further demarche in the General Agreement on Tariffs and Trade (GATT) in support of a strengthened and clarified Article XI.

Canada's Ambassador to the GATT, G.E. Shannon, and representatives from the other supporting countries, made the diplomatic presentation to Arthur Dunkel in his capacity as chairman of the Uruguay Round negotiating group on agriculture.

Minister Wilson said that the demarche "states the united view of these countries that comprehensive tariffication without exception should not be the only way to contribute to the expansion of world agricultural trade, and seeks a carefully circumscribed exception from tariffication for import measures consistent with Article XI of the GATT."

Minister McKnight noted that "Canada will continue to take every measure possible to ensure a Uruguay Round result that will provide for the continuation of effective supply management systems in Canada."

Mr. Blais added, "Throughout the negotiations, we will continue our extensive consultation process with both industry groups and the provinces."

Canada tabled its offer for agricultural trade reform in the Multilateral Trade Negotiations (MTN) on October 15, 1990. Included in that offer was a March 1990 proposal for a strengthened and clarified Article XI, which is used to establish import quotas in support of effective supply management programs for Canadian dairy, poultry and egg producers. (The text of the demarche is attached.)

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For further information, media representatives may contact:

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Canada

DEMARCHE PRESENTED TO GATT DIRECTOR GENERAL ARTHUR DUNKEL (CHAIRMAN OF THE AGRICULTURE NEGOTIATING GROUP) DECEMBER 16, 1991

In the Ministerial declaration at Punta Del Este and reconfirmed at the mid-term review, contracting parties agreed that the negotiations shall aim *inter alia* to achieve strengthened and more operationally effective GATT rules and disciplines on agriculture.

We believe that comprehensive tariffication without exception should not be considered as the only way to contribute to the expansion of agricultural trade. While some of us have other reasons for having proposed that there should be carefully circumscribed exceptions to the concept of comprehensive tariffication, the following participants are united in the view that, consistent with the agreed objectives of the round, GATT Article XI:2(C) (i) must be strengthened and clarified and that the provisions of the draft text on agriculture be modified to exclude from tariffication trade measures taken consistent with Article XI.

CANADA ISRAEL JAPAN KOREA NORWAY SWITZERLAND