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DISCUSSION PAPER ON SECURING AND ENHANCING CANADIAN ACCESS TO EXPORT MARKETS

The Minister for International Trade, the Honourable James Kelleher, today released the federal government's Discussion Paper on Trade, "How to Secure and Enhance Canadian Access to Export Markets".

The reasons for releasing this consultative document are the overwhelming importance of trade in the Canadian economy and our need to assess the most effective means to promote it. Exports now account for almost one-third of our Gross Domestic Product and more than three million jobs. Every \$1 billion of additional exports means 16,000 jobs in Canada.

The Discussion Paper, one of many consultation initiatives being undertaken by the government in order to promote economic growth, addresses the issue of access to export markets. It provides a focus for consultations with the private sector and the provinces and is intended primarily to elicit views on the principal market access problems facing Canadian exporters, and on matters relating to access to the Canadian market.

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"These views will be used by the Government as a basis for key trade policy decisions", Mr. Kelleher said.

The Paper is divided into three sections. The first outlines the international setting for market opportunities and the international trading environment that conditions our search for improved and secure access to markets. These general conditions affect the specific interests of Canadian producers in world markets and at home. "We want to learn more about what those interests are and how they are affected: what specific market access problems hinder Canadian producers and how the Government can best assist in overcoming them", Mr. Kelleher said. Part II considers our involvement in the next round of multilateral trade negotiations which could begin next year. The third part addresses possible bilateral approaches to the Canada-U.S. trade relationships, reflecting the importance of the American market.

With respect to multilateral trade negotiations, the Paper is designed to obtain input from the Provinces and the private sector to prepare for the next round of multilateral trade negotiations under the General Agreement on Tariffs and Trade (GATT). Mr. Kelleher stated that Canada remains committed to the GATT. He added that the Government also wishes to examine possible bilateral arrangements with the United States which could complement and reinforce efforts being sought through multilateral trade negotiations.

"Canadians need to explore urgently and with the greatest care how best to secure and enhance access to the United States, our single biggest market which represents 3/4 of our exports", the Minister said.

The Discussion Paper sets out four possible options for Canada - U.S.A. trade relations:

1. We could continue as we have in the past.
2. Canada the U.S.A. could initiate negotiations towards either sectoral or non-tariff arrangements.
3. Canada and the United States could initiate negotiations aimed to achieve a comprehensive bilateral trade arrangement.

4. Canada and the United States could establish a framework agreement.

"The choice for Canada is not between multilateral and bilateral approaches to trade, but how both avenues can be pursued in a mutually reinforcing manner", Mr. Kelleher said. "The objectives of our government are to secure and improve access for Canadian exporters, promote increased competitiveness in our domestic market and ensure a positive climate for investment and access to technology", the Minister said.

Stressing that the Paper is intended primarily to serve as the basis for consultations, the Minister said, "I wish to emphasize that the government is entering this consultative process with no pre-conceived conclusions".