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PRESS CONFERENCE STATEMENT BY THE  
MINISTER FOR INTERNATIONAL TRADE,

JOHN C. CROSBIE,

CONCERNING THE GATT'S

MONTREAL MINISTERIAL MEETING

OTTAWA

December 2, 1988.

Good afternoon, ladies and gentlemen.

I have called this press conference to talk about the upcoming GATT meeting in Montreal, which will involve delegations from 105 countries.

I have brought Mrs. Ostry and other senior trade officials with me today. They are here to provide you a thorough and detailed briefing on the Montreal Ministerial Meeting, including the principal issues, Canada's position on those issues and our objectives in the multilateral trade negotiations.

The GATT is the cornerstone of our trade policy--always has been and always will be.

When we negotiated the Free Trade Agreement with the United States, it was under the terms and conditions of the GATT. The Free Trade Agreement establishes a free-trade area, as defined by and under the terms of the GATT.

We believe the Free Trade Agreement can serve as a catalyst for dealing with some of the thornier issues in the multilateral trade negotiations.

In light of the Free Trade debate and the fact that the U.S. market accounts for over 70 per cent of our exports, it is understandable that so much attention has been paid in Canada to our trade with the U.S.

But, we must not forget the substantial amount of trade we already have with major export markets such as the European Community, Japan and other major Asia-Pacific markets. The potential for growth of our exports in those markets is immense.

During and after the free-trade negotiations with the United States, we have worked very hard to achieve real progress in the multilateral trade negotiations in Geneva.

In fact, much time and effort have been devoted to the multilateral trade negotiations since they were launched in September 1986 in Punta del Este.

We are now at the mid-way point of the so-called Uruguay Round. On Monday trade ministers begin several days of GATT meetings in Montreal to review progress achieved and to give their negotiating teams political direction for the concluding half of the Uruguay Round.

What is Canada seeking in the Uruguay Round?

- The reduction or elimination of tariffs.

- The elimination of non-tariff barriers to trade such as the misuse of technical standards to block competing products from entering a country.

- The improvement of GATT dispute-settlement mechanisms so that disputes with our trading partners can be resolved in a more timely and effective manner.

- The liberalization, in a fair and equitable way, of agricultural trade and the elimination of trade-distorting subsidies which have proved to be so costly to Canadian farmers.

When you are negotiating with over 100 countries on such complex and technical issues, you must be patient.

We do not expect dramatic results in Montreal. That is not the purpose of the meeting.

As I already stated, our task is to review progress to date in the negotiations and to give political direction to negotiating teams. It is also an opportunity for Ministers to affirm their commitment to the successful outcome of the multilateral trade negotiations in 1990.

The multilateral trade negotiations under the GATT are crucial to our future ability to export goods and services. They are crucial to our future prosperity.

These negotiations are attempting to grapple, not only with traditional trade problems such as tariffs and non-tariff barriers, but also with new issues such as trade related investment measures, trade in services, trade related intellectual property questions, and the strengthening of the GATT itself.

In many ways, the hard work done in the Canada-U.S. free trade negotiations, for example on investment and trade in services, has already covered some useful ground for these much larger and more complex negotiations under the GATT.

Canadians have a great deal at stake in having a healthy, open and secure international trading system. Our trade with major world markets other than the U.S. is beginning to grow significantly. For example, our trade with Asia-Pacific markets is more than 45 per cent greater in the first half of this year than it was only a year ago.

If we want to continue to increase that trade and especially to diversify the products and services we are exporting, we must have clear trading rules and freer conditions for trade.

Now, my colleague would like to say a few words after which I will be happy to answer your questions.

Thank you.