

**GENERAL AGREEMENT ON
TARIFFS AND TRADE**

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MULTILATERAL TRADE NEGOTIATIONS
SOME ADDITIONAL CANADIAN VIEWS

The following communication, dated 8 July 1985, has been received from the Delegation of Canada with the request that it be circulated to all contracting parties.

1. Canadian authorities have read with interest the statement, entitled Improvements of World Trade Relations, that was tabled in the GATT Council on 5 June by India on behalf of a number of contracting parties.
2. The statement is drafted so as to elucidate the position of some contracting parties with respect to their participation in the new Round of multilateral trade negotiations. Canada believes that the statement is a positive contribution to the clarification of issues and procedures related to the new Round. It is significant that the sponsoring countries recognize that they "have a high stake in the preservation of the multilateral trading system". Canada welcomes the view of the sponsoring countries that they are "prepared to make a proposal for specific multilateral trade negotiations".
3. Canada believes that the statement is an important document and a valuable contribution to the very process Canada has been urging all contracting parties to undertake - a substantive exchange of views on the objectives, substance and modalities of negotiations. There are a number of points on which Canada's views differ from those of the sponsoring nations, but the purpose of the MIN preparatory process is to bring those differences into the open for discussion among contracting parties with the aim of agreeing on how we are to proceed.
4. As noted in our Submission, at this stage, Canada considers that no sector nor issue should be excluded from the scope of a new round of trade negotiations. It is useful to be made aware of the priority which certain contracting parties attach to issues such as tropical products and trade in textiles. Canada cannot, however, agree on the need for "prior commitments" from developed countries in specific sectors.
5. With regard to trade in services, Canada believes that this question merits further examination, without prejudice as to how this issue might be approached in the context of a new round of multilateral trade negotiations.

6. While recognizing the need to deal realistically with differences, Canada believes it is useful to emphasize that there are already grounds for common purpose on a large number of issues. Canada agrees that negotiations should address : unmanufactured and semi-processed goods, natural resource products, the totality of tariff and non-tariff barriers, the development of a safeguards understanding, improvements in the dispute settlement mechanisms and better disciplines on subsidies. We also consider agriculture to be a priority item.
7. In general, Canada concurs that the objectives, agenda and modalities for the new Round are as yet unclear. That is why we believe a more formal process is required for detailed, structured exchanges. This will allow contracting parties to participate in preparations for the Round, without commitment, and to assess the existing scope (as noted in the statement "Improvement of World Trade Relations") for the exchange of concessions between developed and developing countries and contracting parties in general. In this regard, Canada believes we should move on promptly to a meeting of senior trade policy officials before the end of this Summer.
8. Canada is pleased to note that a significant number of developing countries have expressed support for increasing trade liberalization and strengthening the trading system through a new round of negotiations. We share the concerns of these countries that increased protectionist pressures are threatening the stability of the multilateral trade system. Canada also attaches high priority to a further opening of national markets to international competition and to improving market access. We recognize that each contracting party approaches the new round with its own priorities. Canada is determined to work for a balanced agenda which meets the interests of all and which will constitute a priority in itself.
9. Canada is fully committed to the principles and undertakings of Part IV of the GATT and the Enabling Clause as these relate to the development process.

Canada sees potential for significantly higher levels of mutual trade with many dynamic, growing economies among the developing countries. However, in our view, this growth would be most assured through contributions by both developed and developing countries, consistent with their respective levels of economic development, to the balance of rights and obligations necessary to maintain the vitality of the multilateral trading system. Our experience in recent years has pointed increasingly to the greater relevance of contractually binding obligations. Canada will therefore continue to attach importance to improving and strengthening the legal basis for the conduct of its trade relations with developing countries.