

**MULTILATERAL TRADE
NEGOTIATIONS
THE URUGUAY ROUND**

MTN.TNC/MIN(88)/ST/60
7 December 1988
Special Distribution

Original: English

Trade Negotiations Committee

Meeting at Ministerial Level
Montreal (Canada), December 1988

IRELAND

Statement by Dr. Sean McCarthy T.D.,
Minister of State for Industry and Commerce

I would first like to thank the Prime Minister of Canada and the City of Montreal for the great welcome they have given all of us and for the splendid arrangements which they made. I wish you, Mr. Chairman, well in your efforts to bring this historic conference to a successful conclusion.

There is one issue on which we are all agreed and that is that the multilateral trading system is crucial for economic growth and prosperity. This system must survive and we must all ensure that it does survive. Prime Minister Mulroney in his opening address reminded us of the stark choice facing us here in Montreal. He said that "either we move ahead resolutely towards a freer and more effective multilateral trading system or we slip backward toward more insidious forms of protectionism". I hope that we make the right choice before we leave.

I am glad of this opportunity to reaffirm Ireland's commitment to an open and free multilateral trading system. A constant upward trend in our exports is necessary if we are to tackle effectively our very high level of unemployment. But I do not speak as Minister of a country selfishly interested in exports only. We are genuine two-way traders. Relatively speaking we are one of the biggest importers in the European Community. So I am not just paying lip-service to the GATT free-trading system.

We must not lose sight of the purpose of this meeting. It is a review not a final conclusion. There are still two years to go. It is in that period that the real action must take place. We Ministers are here to give the necessary political impetus to the negotiators so as to ensure that the necessary action takes place and that the Uruguay Round will be brought to a satisfactory conclusion by the end of 1990.

All of us have differing interests. We must try to reconcile those differences. In that process we politicians must have regard for what is realistic and acceptable to those who elect us. Over 20 per cent of the Irish work-force is employed in the agriculture sector and over 10 per cent

. / .

in textiles. You will appreciate therefore that these sectors are of major significance to Ireland.

Agriculture is of special interest to me, I would remind you that there have been major changes in the EEC Common Agricultural Policy in recent years, which have helped world agricultural markets. These changes have required sacrifices by Irish farmers and others. We must get full recognition for these measures. Ireland will need the remaining benefits of that policy for many years to come. I make no apology to anyone for my Government's policy of trying to settle as many families as possible on the land and to provide them with the highest standard of living possible. So as far as Ireland is concerned the question of agriculture is a social one in addition to being one of trade and economics. This is the reality about my position.

I understand the concerns of the major textile producers and particularly the developing countries in these negotiations. But they must recognize the major readjustment process which has taken place and is continuing in the textile sector in developed countries. This has resulted in loss of employment where unemployment figures were already quite high. Those of us who have suffered this unemployment realize that bringing textiles out of the Multifibre Arrangement and into the GATT must be a slow steady process.

The services sector is increasingly important in all our economies. It accounts for over 50 per cent of total employment in Ireland. My Government have recently made special moves to attract investment in international services. We are therefore anxious to see a successful outcome to the services negotiations in which all countries rich and poor will be included.

I have already mentioned the importance which I attach to the multilateral trading system. A strong and well-functioning GATT is indispensable in keeping this system. For this reason, I attach great importance to the negotiations on the functioning of the GATT system and, in particular, dispute settlement.

The GATT has lasted for forty years on the basis of consensus. It has had a reasonable degree of success because of that consensus. Consensus is an important ingredient in every family. It is no less important in the GATT. It is one aspect of the GATT that, in my view, must not be changed.

Finally, I wish you and all our negotiators well, not alone over the next two days, but also for the remaining two years of the negotiations. I look forward to the conclusion of our work in 1990 which I trust will enhance the trading system both in goods and services for the mutual benefit of nations everywhere.