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CANADA

Statement by H.E. Mr. John M. Weekes Ambassador, Permanent Representative

Exactly one year ago this week we were all in Montreal. One year from today we will be in Brussels. What do we see when we look back over 1989 and look forward to December 1990? The past year has been an extremely important one for the GATT and the multilateral trading system. The successful completion of the mid-term review of the Uruguay Round and the provisional implementation of some of the results represents a major success and has sent positive signals to the world that the GATT is indeed coming to grips with the real problems affecting international trade. We have also been witness in the Council on a regular basis to some of the ongoing problems facing the world trading system, such as the threat of unauthorized unilateral action, and the lack of clear rules and disciplines applicable to all contracting parties in such important areas as agriculture. It has been heartening to see that contracting parties have increasingly recognized the need for the GATT to be an efficient and credible body for the resolution of trade disputes, and have acted accordingly. We must maintain and strengthen our commitment to respect the obligations of the General Agreement.

At this time next year we will be meeting in Brussels to conclude the Uruguay Round and to consider how best to integrate the results of the Round into the GATT. The relationship between our ongoing work as GATT contracting parties and the multilateral trade negotiations is evident.

We are obviously at a critical juncture in the GATT and the Uruguay Round. Only one year is left to us to complete what is the most complex set of trade negotiations ever undertaken. The challenges are vast but the possibility of failure is unacceptable. We must show the world trading community that the GATT and the multilateral trading system are capable of rising to the demands of today's changing and increasingly interdependent world. We have only to look at political and economic developments over recent weeks to realize the rapid pace of change and the increasing commitment to the principles of an open and stable global trading system.

Although Canada has interests in all the issues being discussed in this Round, there are areas of the negotiation to which we attach particular importance. These would include substantial results in agriculture and market access, including for natural resource-based products, increased discipline in the use of subsidies and countervail and an effective and credible dispute settlement system.

The Round must also successfully come to grips with the "new issues" of trade in services and intellectual property rights as well as trade-related aspects of investment, if we are to be in the position a year from now to look back at 1990 and consider that we have successfully completed the task we assigned ourselves in Punta del Este. Anything else will give credence to those who proclaim that the GATT is no longer capable of dealing with the realities of today's trading world. Indeed, to succeed we need results across the range of issues set out in our Punta del Este agenda.

When we began the Round in 1986, the stakes were high; this was recognized in many statements by Ministers in Punta del Este. The stakes are even higher now. The GATT has provided a remarkably stable framework allowing the competitive interaction of market forces on a broad international basis. It has been an important factor in promoting the extraordinary growth of the world economy. And yet the GATT stands at a crossroads. There are those who question its efficacy and doubt the relevance of its basic principles. At the same time, we are witnessing an unprecedented movement to economic reform spreading through different regions, involving countries with different economic and historical backgrounds.

We have before us an enormous, historic opportunity. We can move forward. We can strengthen the GATT, extend its scope and further liberalize trade. Or we can retreat before calls for protectionist solutions and succumb to temporary political expediency. We must reaffirm our faith in market principles and a stable framework of rules. But to do that, those countries which have benefited most from the current system must be the first to demonstrate their adherence to the principles of the market and the established rules. We must not falter. The opportunity we face is unique. It is the opportunity of a generation. This is the challenge our Ministers will grasp when they meet in Brussels a year from now.