## WORLD TRADE

## **ORGANIZATION**

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## <u>Statement by the Honourable Pierre S. Pettigrew</u> Minister for International Trade

**CANADA** 

I am honoured to be here in Seattle to represent Canada as we strive to launch a new round of global trade negotiations.

As we are all aware, there is activity both inside and outside this building.

In our many plenary sessions and more informal meetings, we often deal with complicated questions of process, but all based on a simple question - how? How do we come together to launch this new round? How do we find the spirit of compromise that will allow us to reap the rewards of so many years of hard work and principled rule-making?

But outside, in communities around the globe, some citizens are asking another question - why? Whether for or against free trade, they are asking: why is the WTO essential? Why do we need to further liberalize global trade? Why not simply appreciate the gains we have made, and slow this process down?

The answer to both questions lies in the future, in what kind of world we want to continue to build.

The World War II generation surveyed the planet's problems and decided to build strong, democratic institutions that have guided our social and economic evolution in profound ways. The GATT (General Agreement on Tariffs and Trade) and the WTO are part of that legacy, part of that knitting together of the globe that has made us prosperous and served the cause of peace.

I believe that we are now poised at a juncture in our history that, while very different, is no less important.

Profound change, driven largely by technology, is sweeping across our societies. Most of us call this globalization.

Many of us are excited by it, because it promises enormous opportunities and openings in the economic, social and intellectual realms. The world is coming together as never before.

But just as in earlier periods of great change, such as the Industrial Revolution, some citizens are being excluded. Many of us now realize that while market economies are efficient, market societies leave much to be desired.

So it is important not to get lost in our ideology or to become too rigid in our thinking. Canadians know much about the importance of cultural diversity and pragmatism.

We founded and built a citizenship that departs from the traditional model of the nation-state, and built a country on compromise, accommodation and diversity.

I believe this same spirit of accommodation could help advance our talks this week.

First of all, surely we can agree that it is not acceptable to manage a global trading system in which some countries are far from being full Members, and whose citizens are not benefiting from the advantages of global trade.

Better access to our markets and technical assistance for the world's least-developed countries must be a priority for the next round of talks. If they are not, we risk creating a growing disparity between have and have-not countries.

Let me now turn to a priority that is crucial to Canada - agriculture. These new negotiations must result in the elimination of export subsidies, the drastic reduction of trade-distorting domestic subsidies and substantial improvements in market access. We are once again facing the results of an agricultural subsidy war. This is seriously hindering agriculture in developing nations and decimating our farmers' incomes in countries such as Canada. It must stop.

Coherence and coordination among our many international organizations is also vitally important. Too often, countries are caught in a tug-of-war between widely different, even contradictory visions or policies of the key international organizations.

That is why Canada has proposed a working party on globalization to ensure that the WTO works in coordination with UNCTAD (UN Conference on Trade and Development), the ILO (International Labour Organization), UNEP (UN Environment Programme), the IMF (International Monetary Fund) and others.

On services, Canada has made it clear that the GATS (General Agreement on Trade in Services) must remain a bottom-up agreement that allows countries the flexibility to liberalize services that it feels will benefit their societies, while retaining their right to advance their vital social interests.

Lastly, we must ensure that the WTO becomes an organization where the world's citizens feel at home. We have to release more information to our citizens, more quickly. We must continue to invite them in and to listen to their ideas.

Transparency, therefore, should be a guiding principle. We made a good start this week, but there is still much work to be done on this front. The WTO cannot solve all of the world's problems, but the more it draws upon the wisdom, energy and innovation of the world's citizens, the stronger and more representative it will become.