



13

PRIME MINISTER

FOR MEDIA

21 JUNE 1988

ECONOMIC DECLARATION FROM TORONTO SUMMIT

The Prime Minister today welcomed the priority given by leaders at the Toronto Economic Summit to the reform of world agricultural trade, but expressed disappointment that the leaders could not agree that early steps would be taken at the Mid-term Review of the Uruguay Round to wind back farm subsidies.

Agricultural trade reform was a key issue at the Economic Summit. It is pleasing that the leaders at the Summit explicitly recognised the necessity of ensuring that the Mid-term Review at Montreal in December adds impetus to the negotiations on trade liberalisation, especially in agriculture.

The willingness of the leaders to consider short-term options for winding back farm subsidies is an especially welcome development.

But the lack of agreement at this stage to the implementation of measures at the Mid-term Review for early action on agriculture means that all participants in the process must work hard between now and December to develop short-term and long-term proposals for agricultural trade reform.

Australia urges that the negotiations in Geneva over the next few months recognise the legitimate interests of the Cairns Group and develop specific proposals for early action which can be endorsed at the Mid-term Review.

The Prime Minister paid tribute to President Reagan and Prime Minister Mulroney in particular, for pursuing agricultural trade reform so vigorously at the Summit.

The Prime Minister endorsed the view of leaders at the Summit that the GATT must be strengthened and its disciplines improved.

The Prime Minister welcomed the commitment of the leaders to strengthen efforts to reduce the growth of spending in countries with balance of payments deficits and to sustain it in countries with surpluses. The task for the incoming President will be to reflect that commitment in significant early cuts in the fiscal deficit of the United States.

7361