

- CODIFYING MORE CLEARLY RULES ON SUBSIDIES TO INDUSTRY, AGRICULTURE AND FISHERIES. BOTH COUNTRIES USE DOMESTIC SUBSIDIES. BOTH WILL CONTINUE TO. BUT THERE IS NO AGREEMENT ON WHICH SUBSIDIES ARE APPROPRIATE. SO LEGITIMATE CANADIAN MEASURES ARE ATTACKED BY U.S. PROTECTION. WE NEED CLEARER RULES.

- REDUCING THE IMPACT OF "BUY AMERICA" RESTRICTIONS, TO OPEN UP THE U.S. FEDERAL AND STATE GOVERNMENT MARKETS WORTH AS MUCH AS \$500 BILLION ANNUALLY. CANADIAN FIRMS WHO WIN U.S. CONTRACTS COME UNDER ENORMOUS PRESSURE TO TRANSFER PRODUCTION TO THE U.S. AND WITH THAT PRODUCTION GOES JOBS.

- STRONGER, MORE EFFECTIVE MECHANISMS TO SETTLE DISPUTES ABOUT TRADE. WE HAVE LOTS OF FIGHTS AND NO REFEREE. WITH CLEARER, MORE PREDICTABLE RULES, PROBLEMS CAN BE MORE QUICKLY RESOLVED.

THERE WILL BE TRADE-OFFS. THAT'S WHAT NEGOTIATION IS ABOUT. IT'S A TWO WAY PROCESS INVOLVING GIVE AND TAKE. IN ORDER TO GAIN SOMETHING OF VALUE, WE WILL NEED TO GIVE SOMETHING OF VALUE. ANY DEAL WILL HAVE TO BE MUTUALLY BENEFICIAL.