

For his part, Mr. Yeutter has reported to President Reagan that comprehensive, bilateral trade talks hold promise for achieving mutual objectives. A number of U.S. industries have an interest in expanding their access to the Canadian market, Mr. Yeutter concludes. Discussions have convinced him that "the Canadian government is prepared to seriously explore these issues."

Consequently, Mr. Yeutter has advised the President to alert Congress of his Administration's intention to pursue negotiations and to ensure all interested parties have an opportunity to advise the U.S. government on any potential negotiations.

Both Mr. Kelleher and Mr. Yeutter have undertaken to report progress to the Prime Minister and the President again in six months.