

Canadian industry, the employment impact and U.S. pressures for harmonization in other areas of economic and social policy. It considered that non-trade policies would need to be addressed, including interprovincial barriers, R&D tax incentives and the promotion of global product mandating. Manitoba's support for exploration of a comprehensive agreement was "conditional upon an extensive period of adjustment being provided for industry sectors and workers adversely affected".

The four Western Premiers at their mid-May meeting in Grande Prairie, joined in supporting a proposal to examine the benefits and disadvantages of a comprehensive Canada-U.S. trade liberalization agreement, provided there was full provincial participation in all stages of negotiations and conditional upon adequate adjustment measures for adversely affected workers and industrial sectors. They also reaffirmed their interest in a new MTN, and outlined their objectives emphasizing both the importance of the U.S. and the Asia-Pacific area. Premier Lougheed of Alberta had visited Washington D.C. in early May. He provided a first-hand report to the Prime Minister in a letter of May 14 in which he urged the government "to initiate a new and comprehensive bilateral free-trade agreement with the United States" and signal its intention by mid-September, or "the opportunity will probably be lost for many years".

The Minister for International Trade's suggestions for provincial involvement in the preparatory phase were accepted, namely the establishment of single focal points in Ottawa and the provinces to ensure ongoing two-way communication, meetings of federal and provincial officials in June, July and September, 1985 and meetings with individual provinces on request. The question of provincial involvement in negotiations themselves was set aside until such time as decisions were taken to actually proceed to negotiations.

**Canadian policies are almost never directed against the United States or its interests. They are directed toward strengthening a country of middle rank, not yet fully industrialized and competing with difficulty with both much larger and more integrated economies and much smaller and less costly ones.**

**Gordon Robertson, "The United States and Problems of Canadian Federalism," in Canada and the United States: Enduring Friendship, Persistent Stress, Edited by Charles F. Doran & John H. Sigler.**