

United States, like other countries, makes quite liberal use of subsidies, as an instrument of public policy.

The United States has become a vigilant opponent of the subsidy practices of other governments, by its hitherto almost exclusive use of the countervailing duty remedy. You should not be surprised, however, if your example leads to greater use of this remedy by your trading partners. That, too, could become part of the level playing field -- or the battle ground.

Myth number six, finally, is that the advantages of a comprehensive trade agreement between Canada and the United States would be all one way; that only Canada would benefit from such an arrangement. Nothing could be further from the truth. The advantages to the United States would be very substantial on several levels.

First, Canada is far and away your single best bet in fighting your way out of your current trade deficit. We are already your best customer by a long shot, as I noted in dealing with myth number one. And