

A number of the issues in Canadian-American trade relations were long-standing. They had been only temporarily pushed into the background by concern over the surcharge. The notable example is the auto pact. This subject had already been under discussion between the two countries for some time. A new complication was added, however, with the introduction of the DISC legislation in the United States. There were other trade "irritants" on both sides. An attempt was made to dispose of some of these outstanding issues in the winter by negotiating a package of reciprocal and balanced concessions with the United States. The Canadian Government's position was put confidentially to the United States in this context at the time. The attempt at negotiation was not successful. At the moment,