

were locked in a struggle to defend free trade in lumber against a rising protectionist tide in the U.S. Congress.

A comprehensive trade pact would reduce Canada's vulnerability in sectors where free trade has already been established -- the lumber trade, for example -- by isolating such trade from short-term political pressure to restrict trade when it is expedient.

A formal trade agreement would not remove the possibility of quasi-judicial actions such as countervailing duty or anti-dumping petitions. But it would go through renegotiation, define and formalize the treatment of subsidies and other areas of contention.

"Trade covered by formal agreement would be shielded from capricious and expedient attack and would contribute to greater security and stability in Canada-U.S. trade relations."

The Council maintained establishment of freer trade with the U.S. also stood out as the essential and urgent first step to the longer-term reduction of barriers to trade within the multi-lateral framework of GATT.

In the council's formal brief, the group indicated a comprehensive agreement should include provision of a necessary period of adjustment for industries which could be seriously affected by freer trade.

Senate committee's conclusions

Senator George van Roggen (Chairman, Senate Committee on Foreign Affairs, inquiry into Canada's trade relations) reviewed the deliberations and decisions of the Senate committee which led it to advocate that Canada negotiate a bilateral free trade