

more problematic, issues that arise in our dealings with other nations with whom our trade and economic relations function less smoothly. It is vital that we manage the relationship successfully.

I have no hesitation in stating that our bilateral trade relations are generally in good shape.

Ambassador Bill Brock and I meet every few months, looking for ways to contain disputes and to improve both the bilateral and multilateral basis for expanded trade. Secretary Shultz and Minister MacEachen, the Deputy Prime Minister and Secretary of State for External Affairs, have agreed to meet four times a year to manage our relations.

I believe that over the past couple of years we have demonstrated the capacity to resolve problems, to contain irritants and to pay particular attention to each others interests and sensitivities in formulating policies. For example, we were able to find a solution to the trans-border trucking issue. We successfully avoided what might have been a major confrontation about U.S.A. actions threatening our very substantial lumber trade. By mutual agreeent, we resorted to GATT dispute settlement procedures to work out our differences concerning certain practices of FIRA, Canada's Foreign Investment Review Agency. That action, together with steps we have taken to streamline our foreign investment review procedures, has taken FIRA off our bilateral agenda as a serious issue. Your investment continues to be most welcome.

There are, of course, some current issues. It would be extra-ordinary if \$85 billion in annual trade did not generate some friction.

As a Member of Parliament from Nova Scotia, I am particularly concerned that exports of fish and potatoes, which are of vital importance to the Maritime provinces, continue to face what Canadian producers feel is harassment in the U.S.A. market. Our fish exports have been the subject of succesive investigations under U.S.A. trade laws -- another such investigation has just been initiated. Within two weeks, we will know whether anti-dumping duties will be applied on potatoes imported into the United States from New Brunswick and Prince Edward Island. It is difficult to believe that imports of potatoes from Canada, which represent less than 5 percent of consumption in New England, could be injurious to U.S.A. potato producers. Canadian farmers and fishermen can ill afford the uncertainty and legal expenses associated with these repeated investigations.