

and Canadian taxes on tourist literature. I'm happy to note, incidentally, coming from a steel town, that legislation to modify the marking requirements has already been brought before the House by Dan Rostenkowski, Chairman of the Ways and Means Committee.

Second, the trade ministers of both countries were charged with charting ways to reduce or eliminate all existing barriers to trade between us. This is a large order, and we have a September deadline to report. I thought for a while that I'd be spending the summer with Bill Brock. That seems to be out of the question now (unless I'm transferred to Labour too), but I met with Clayton Yeutter last month in Chicago, and I'm very much looking forward to working with him.

We will also be working on the third part of the declaration -- a comprehensive work plan, to be completed by next March, to resolve a wide range of specific impediments to increased trade. One of the major areas here is the so-called "Buy America" or "Buy Canada" provisions to government procurement programs. Both our countries have learned in the past 20 years or so that there are all sorts of hidden costs in such artificial purchasing policies, including inefficiency and resistance to change. What we intend to do is to see whether government procurement might be better designed.

But we in Canada also have a longer-range program going. It is a program intended to secure and enhance access for our exports to the United States. We started it up back in January by publishing a discussion paper on the options open to us, and I have just finished a cross-Canada tour of consultations. In the past eight weeks, I have been to 15 cities in six time zones, listening to business people mostly, but also to labour, consumers and academics.

The paper sets out four possible courses that our trade with the United States could take.

We could try to keep going along as we have been, under the status quo, and hope that the protectionist pressures in Congress can somehow be contained by shooting from the hip.

Or we could try to negotiate arrangements limited in scope to particular sectors, or to particular types of non-tariff barriers. We've already taken a whirl at the sectoral approach, as you know, but what we've found is that if one country's industry is for it, the other's is opposed. The approach did not allow trade-offs.