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THESE CONSULTATIONS SHOWED THAT THE STATUS QUO IN OUR TRADE RELATIONS WITH THE UNITED STATES IS NOT VIABLE. THEY SHOWED WIDESPREAD BELIEF THAT THE CURRENT LEVELS OF UNEMPLOYMENT WERE DIRECTLY RELATED WITH UNCERTAINTY IN OUR TRADE RELATIONS WITH THE U.S. BUSINESSMEN EVERYWHERE URGED THAT BILATERAL NEGOTIATIONS BE HELD WITH OUR MAJOR CUSTOMER TO TIGHTEN UP THE RULES OF THE ROAD THAT GOVERN OUR CROSS-BORDER TRADE.

THE UNITED STATES PURCHASES THREE QUARTERS OF EVERYTHING WE EXPORT FROM THIS COUNTRY. MORE THAN TWO MILLION CANADIANS DEPEND ON THE US MARKET FOR OUR JOBS. IT IS OUR MOST CRUCIAL TRADING RELATIONSHIP AMOUNTING TO \$150 BILLION IN TWO-WAY TRADE.

THE UNITED STATES FOR A VARIETY OF REASONS IS CONFRONTED BY ENORMOUS PROTECTIONIST PRESSURES. EVEN WHEN WE ARE NOT THE TARGET, THE MEASURES THEY TAKE AGAINST OTHER COUNTRIES CAN CATCH US IN THEIR NET. IN THE LAST YEAR, CANADA HAS FACED MEASURES TO RESTRICT EXPORTS OF LUMBER, STEEL, FISH, RASPBERRIES, HOGS, AND POTATOES. NO REGION OF THE COUNTRY HAS BEEN SPARED. THOUSANDS OF CANADIAN JOBS ARE DIRECTLY AT RISK. THOUSANDS MORE ARE THREATENED INDIRECTLY.

THE UNCERTAINTY ABOUT OUR ACCESS TO THE US MARKET HAS BEEN COSTLY FOR CANADIAN BUSINESS; COSTLY IN FINANCIAL TERMS, AND IN INVESTMENT TERMS. IT IS DIFFICULT TO MAKE CORPORATE DECISIONS, TO CONSIDER NEW RISKS, TO EXPAND A BUSINESS WHEN YOUR MARKETS ARE THREATENED.