

Canada Reports

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EXPO '86 gears up

The Expo Centre was open to the public this summer and it provided a unique preview for EXPO '86, which will be held in Vancouver, British Columbia, May 2 to October 13, 1986. It was the first time such a preview has been held in world exposition history and the enthusiastic response has generated a great deal of excitement for Canada's second world exposition. (See story page 4.)

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New trade agreement sought with US

The Canadian government has asked the United States to discuss the possibilities of a new bilateral agreement on trade. Exploratory discussions for a "mutually beneficial" agreement are expected to begin early in 1986.

In an announcement to the House of Commons on September 26, Prime Minister Brian Mulroney said that he had spoken to US President Ronald Reagan "to express Canada's interests in pursuing a new trade agreement" and he asked the president "to explore with Congress their interest in pursuing these negotiations". Mr. Mulroney further stated that Canada wants to negotiate "the broadest possible package of mutually beneficial reductions in tariff and non-tariff barriers between our two countries".

US support

A White House spokesman said Mr. Reagan "warmly welcomed" Canada's offer and he indicated he would ask the US International Trade Commission to study the economic impact of freer trade on US industries. US Special Trade Representative Clayton Yeutter added his support in a written statement and promised to begin weighing US reaction by talking to congressional leaders and the private sector.

Mr. Mulroney and Mr. Reagan plan to meet in the spring of 1986 to review progress as well as the prospects for a new agreement.

In his statement, Mr. Mulroney pointed out that trade has been critical to Canada's livelihood throughout its his-

tory. Exports account for almost 30 per cent of Canada's national income and more than 75 per cent of the country's exports are to the United States. The percentage of imports from the United States is almost the same.

Improvement of trade

Mr. Mulroney said that there is a general consensus "that we must seek to secure and improve our trade with the United States". He added that "economics, geography, common sense and the national interest dictate that we try to secure and expand our trade with our closest and largest trading partner".

The prime minister also pointed out that Canada has consistently pursued a policy of trade liberalization internationally. He said that "in all forums where Canada is present, we are working to remove impediments to trade, aid, investment and development on a global basis".

Mr. Mulroney noted as well that Canada is playing a leading role in promoting and



Prime Minister Brian Mulroney (left) has approached President Ronald Reagan to initiate talks for a new trade agreement that would reduce tariff and non-tariff barriers between Canada and the United States.

Peter Bregg, PMO