

And then there was last month's Shamrock Summit, between Prime Minister Mulroney and President Reagan, in Quebec City. Without any doubt, the Quebec Summit was one of the most substantive Canada-U.S. meetings ever held. It dealt with a wide range of issues, but what is perhaps most important to those of us here, was the declaration on trade.

The trade declaration is of great significance to both countries. It really has three parts to it. First, an agreement on the immediate resolution of a number of outstanding irritants -- including U.S. marking requirements on steel pipes and Canadian taxes on tourist literature.

Second, the Trade Ministers of both countries were charged with devising a bilateral mechanism to chart ways to reduce or eliminate existing barriers to trade between us. We have been asked to report our recommendations within six months, and in that regard I can report that when I was in Chicago last week, I had a very pleasant and encouraging meeting with Clayton Yeutter, who as you know, has been nominated to take over the post of U.S. Trade Representative.

Third, a comprehensive work plan over the next year 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 of government procurement programs.

Government procurement is no small potato. The U.S. Federal Government is by far the largest organization in the world. The office space it takes up is the equivalent of four times all the office space in America's ten largest cities. From those offices it spends \$91 million every hour -- or \$2 billion every day. We believe we can get a bigger share of that spending than we do now.

Our most important initiative in trade, our long-term initiative, is the one that began back in January with the publication of a major discussion paper on "How to Secure and Enhance Our Access to Export Markets". As you know, the paper covers two general areas. One is what we must do to prepare our position for the next GATT round. The other is what we should do to protect and, if possible expand, our trade with our biggest customer, the United States.