

ON A FAIR AND COMPETITIVE BASIS FOR FEDERAL AND STATE GOVERNMENT CONTRACTS; ABOUT THE NEED FOR A MORE EFFECTIVE AND PREDICTABLE WAY TO SETTLE OUR DIFFERENCES. THE UNITED STATES ADMINISTRATION WILL WANT US TO LISTEN TO YOUR CONCERNS, FOR instance about the level of our tariffs, and about such things as our federal and provincial government procurement practices. We will both want to look at developing international rules regarding trade in services.

BY LISTENING TO EACH OTHER - BY PLACING THESE CONCERNS ON THE TABLE - NEITHER SIDE IS COMMITTED TO ACCEPTING WHAT THE OTHER SIDE IS PROPOSING. BUT ONLY BY FRANKLY DISCUSSING EACH OTHER'S OBJECTIVES AND CONCERNS WILL WE KNOW WHETHER A GOOD DEAL IS POSSIBLE.

THIS IS A BOLD MOVE BY THE CANADIAN GOVERNMENT, AND IT HAS, NATURALLY, AROUSED SOME CONCERNS IN CANADA. WE MUST, AS A GOVERNMENT, BE SENSITIVE TO THESE CONCERNS AS WE MOVE TO THE PREPARATORY PHASE. IT IS PRECISELY FOR THAT REASON THAT WE HAVE ESTABLISHED THE MOST EXTENSIVE CONSULTATION PROCESS EVER ASSOCIATED WITH A CANADIAN TRADE INITIATIVE. WE WANT CANADIANS TO KNOW WHAT WE ARE DOING. BUT IT IS IMPORTANT THAT AMERICANS TOO BE SENSITIVE TO THE SERIOUSNESS OF OUR INITIATIVE AND TO THE CONCERNS IT HAS AROUSED.