

interesting to observe that within the framework of the MTN negotiations, the desire to provide these sectors with adequate protection against reduced import tariffs did not prevent us from benefitting from reductions granted by the U.S., as a result of EEC pressure, particularly on clothing. It should be clearly understood, however, that at the conclusion of the tariff negotiations, each country had its own "bottom lines" for various sectors and for each product beyond which it was not prepared to go. In the final analysis, this is what determined the extent of cuts. In other words, the various national "bottom lines" determined what was negotiable and feasible.

Petrochemicals are one sector where Canada was unable to achieve its goals, which were to obtain the best possible access to the American market for a variety of products manufactured in Canada, or for which certain manufacturing opportunities presented themselves at internationally competitive prices. But U.S. industry pressure to maintain a relatively high level of protection, given the energy situation, proved to be too strong: the Americans' "bottom line" was much higher than we had hoped. The fact that the EEC was not prepared to go very far in this sector did not, of course, help in the attainment of our objectives. Be that as it may, I would regard this