

Canadian Embassy



Ambassade du Canada

501 Pennsylvania Ave., N.W.
Washington, D.C. 20001

May 14, 1992

The Honourable Carla Hills
United States Trade Representative
600 - 17th. Street, N.W.
Washington, D.C. 20506

Dear Ambassador Hills:

I have the honour to refer to recent discussions between officials of our two Governments in the Working Group established pursuant to Annex 705.4 of the Canada-United States Free Trade Agreement on the Levels of Government Support for Wheat, Oats, and Barley.

I have the further honour to propose, pursuant to paragraphs 5 and 6 of the Annex, that our Governments agree to include under Schedule 2 "Canadian Government Support Programs", Part A "Direct Payments", of the Annex the following program and agreed-to-methodology:

5.3 Payments Pursuant to the Special Income Assistance Program (SIAP)

The support provided by the federal government to producers of barley through the SIAP is the total amount paid to producers of barley for that calendar year. The support is computed in accordance with the following formula:

$$A = \sum_{i=1}^{10} B_i$$