



## **Premiers call for new agreement with the United States**

**June 9, 2009** – Premiers are deeply concerned that *Buy American* rules adopted in the United States are hurting both American and Canadian companies and acting at cross purposes to the economic stimulus they were intended to generate.

The American Recovery and Reinvestment Act of 2009, passed by U.S. Congress, includes provisions known as *Buy American* that require, unless exceptions apply, American states and municipalities to use only iron, steel and goods manufactured in the United States for federally funded infrastructure projects.

Canadian and American economies are already largely interdependent. Premiers believe that any protectionist measures taken by either Canadian or U.S. governments will therefore impede the integrated supply chains that Canadian and American companies have developed, and undermine the prosperity and the competitiveness of both economies.

The current economic circumstances require that all orders of government within Canada and the U.S. continue to take strong and significant action to stimulate our economies. Premiers support the November 2008 and April 2009 G20 commitments to rectify and avoid new barriers to trade. Protectionist measures are counterproductive to this goal.

Premiers believe the time has come for all orders of Government in Canada and the U.S. to engage in a renewed era of collaboration to ensure open markets between the two countries. Therefore, they support open and inclusive discussion of all means, including the negotiation of a broad, reciprocal procurement liberalization agreement, covering federal, provincial/territorial and state government measures, in order to secure mutually-beneficial market access and to exclude Canada from the negative effects of measures such as *Buy American* provisions.

Premiers will ensure that their governments are full participants in these negotiations and collaborate closely with their counterparts and both federal governments to rapidly reach such an agreement.

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