



PREMIER OF SASKATCHEWAN

LEGISLATIVE BUILDING  
REGINA, CANADA S4S 0B3

October 3, 2011

The Honourable Joe Lieberman  
United States Senator for Connecticut  
One Constitution Plaza  
7th Floor  
Hartford CT 06103  
USA

Dear Senator Lieberman:

I write respectfully with serious concerns regarding the protectionist implications of parts of the *American Jobs Act of 2011* (AJA) submitted by the United States (U.S.) Administration to Congress on September 12, 2011.

While we understand and support the need for effective job creation in the United States, it is important to highlight for decision makers the consequences of provisions in the AJA that are indeed counterproductive to its self-titled purpose.

Potential Buy American provisions and specifically their impact on the U.S. Canada value chain relationship is a potential threat to jobs and economic development on either side of the border.

Lessons of history are only lessons if they are learned. Protectionist measures introduced at the dawn of the great depression saw U.S. unemployment jump from 8 to 25 per cent. U.S. imports dropped by 66 per cent, and exports fell by 61 per cent.

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Today, given our highly integrated economies, the hurt caused by protectionism on either side would be more immediate and more severe. As has been observed in our Canadian media already *"If the United States blocks the importation of a Canadian engine that uses components made in the United States, then those American component-makers will be hurt"*, (Toronto Star, September 21, 2011).

It is only a little over a year since Canada and the U.S. worked cooperatively to address concerns with the Buy American measures in the 2009 Recovery Act. We hope that spirit of cooperation will prevail again.

We again face major uncertainty in the world economy. This is a time for positive leadership in both Canada and the U.S. We need to recognize the job creating value of the Canada-U.S. trade relationship. It is extremely important that both countries work together to enhance our integrated supply chains and increase our exports to the rest of the world.

I also reflect on the fact that Canada is the top export destination for 35 states, including Oklahoma, North Carolina, South Carolina and Montana. Any calls for retaliation in Canada would not be helpful. However, should the same decisions be taken here, the further harm to companies all across the U.S. would be deleterious, risking the escalation of protectionism that kills jobs.

The way forward for the manufacturing sector in Canada and the U.S. is not short-term protectionism, rather we need to work together to increase our collective exports. This can best be achieved through further economic integration in the world's most successful trade region, not restrictions to trade created by the AJA.

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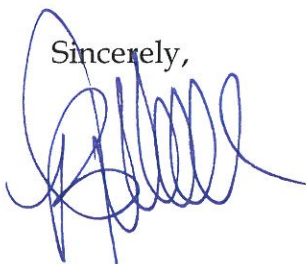
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The short-term solution to these current difficulties is to remove the protectionist measures embedded in the AJA. However, a long-term solution is needed, lest we continue to lurch from crisis to crisis. Our two countries agreed last year to explore a long-term comprehensive treaty on procurement. We need to move beyond exploration and conclude such an agreement as the foundation for a broader joint approach to improve dramatically the exports and job creation of both our countries.

I hope you might bring to bear your influence as a key U.S. decision maker in this matter.

I appreciate the opportunity to share my thoughts about this issue with you.

Sincerely,



Brad Wall  
Premier

cc The Right Honourable Stephen Harper, PC, MP  
Prime Minister of Canada

His Excellency Gary Doer  
Ambassador of Canada to the United States of America

Honourable Christy Clark  
Chair, Council of the Federation

