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10/18/74

Q's and A's ON TRUDEAU MEETING IN WASHINGTON, D.C.

Q: Is there any special reason for this meeting?

A: The President and the Prime Minister have been looking forward to an early meeting, as soon as their schedules would permit, to get acquainted and for a review of issues of mutual interest. This is in keeping with the meetings the President is having with the leaders of a number of allies and friends of the United States. As Canada is our northern neighbor, the President also looks forward to the opportunity for a review of bilateral matters.

Q: Why only one day?

A: This is the format both sides have agreed would be most useful and satisfactory. (The travel time between Ottawa and Washington by jet is so brief that the one-day format is possible.)

Q: Doesn't the President have another visit the next day?

A: Yes, Chancellor Helmut Schmidt of the FRG will begin an official visit to Washington on December 5.

Q: What bilateral issues will be discussed -- the Great Lakes clean-up, trade?

A: I don't have an agenda for the meeting, but it is safe to assume that international trade and economic matters will be included, as part of the overall review of issues of mutual interest.

Q: Do you have the dates of Trudeau's earlier visits?

A: The Prime Minister paid official visits to Washington on March 24-25, 1969 and again on December 6, 1971.



12/6/74

Q: Trudeau said following his talk with the President that the Canadian Government was anxious to avoid a trade war over the beef issue between the two countries. What is the current U.S. view on the resolution of this issue?

A: We too are anxious to see the issue resolved ~~without further retaliation.~~  
~~In fact our proposal all along has been that the way to solve the issue is for both sides to withdraw their current restrictions so that trade can flow freely as it did after the first Canadian restrictive actions.~~ We have already had a meeting with the Canadians on the technical level to discuss the problems and plan to have another one shortly.

CANADIAN PARTICIPATION IN THE ECONOMIC SUMMIT

Q. We understand that France has objected to Canada's participation in the Economic Summit coming up Nov. 15-17. What is the President's reaction to that viewpoint?

A. Our view is that one country should not have the right to veto another's participation in this case, when all others are in favor of it. We regret the action very much, and believe that Canada should participate.

BACKGROUND (FYI)

We have expressed our view since July that Canada should participate in the economic summit, especially since Italy was invited.

We have felt that if Italy were to be a participant than Canada should be as well.

Our views have been made known to the French and other participants in the economic summit on this issue.

The participants as of now are: Germany, France, Great Britain, Japan, Italy and the United States.

INCREASE IN PRICE OF CANADIAN NATURAL GAS EXPORTS TO THE U.S.

We are disappointed at the decision announced yesterday by the Canadian Government to increase the export price of natural gas from the present \$1.00 to 1.40 per MCF on August 1, 1975, and to \$1.60 per MCF on November 1, 1975.

This price increase will cost U.S. consumers of Canadian natural gas an additional \$583 million a year.

These latest increases follow substantial export price rises imposed by the Canadian Government on January 1, of this year, and earlier increases which have raised the prices paid by American consumers for Canadian natural gas under long-term firm contracts more than 500% since 1973.

U.S. officials met with Canadian officials in Ottawa on April 22 to explain our concern over the serious impact another large price increase would have on regions in the U.S. which are substantially dependent on Canadian gas imports.

At that meeting, we emphasized our view that such an increase constitutes a further breach of the long-term contracts covering these exports.

We expressed our understanding of the need to increase natural gas prices over a reasonable period of time to commodity value, which is also a U.S. policy objective.

It was noted, however, that the increase proposed by Canada, as in January, will be applied only to U.S. consumers -- Canada's sole export customers -- not Canadian users.

The price increase will further widen the gap between the export price and the price to Canadian consumers, thus increasing the discrimination against the U.S.

At the April 22, meeting, as in previous discussions with Canadian officials, we dwelt on the importance we attach to a continuing supply of gas under these long-term contracts. The question of supply continues to be of great concern to us, and we expect to have further consultations with Canada to discuss this issue.

This decision by the Canadian Government and Canada's stated intention to impose further increases in the export price for natural gas demonstrates the urgency for a clear U.S. energy policy to stimulate rapid development of our own resources and permit us to reduce dependence on foreign energy suppliers.

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# Notice to the Press

~~\_\_\_\_\_~~ on Renewal of NORAD Agreement  
May 8, 1975

(Must have  
month & date)

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The United States and Canada have agreed to renew the North American Air Defense (NORAD) Agreement for an additional five-year period. The renewal ~~will take place~~ <sup>took</sup> ~~today~~ <sup>yesterday</sup> through an exchange of notes at the Department of State.

The President welcomes the renewal of the NORAD Agreement continuing through 1980 cooperation between Canada and the United States on the defense of the North American continent. As the notes ~~\_\_\_\_\_~~ ~~\_\_\_\_\_~~ indicate, the United States and Canada remain convinced that such cooperation, conducted within the framework of the North Atlantic Treaty, remains vital to their mutual security, compatible with their national interests and an important element of their NATO contribution.

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Q: You mentioned that the NORAD Agreement is being renewed for an additional five-year period. When was NORAD first established?

A: NORAD was first established in 1958 and the agreement has been renewed by the United States and Canada at established intervals since then.



8 June 1976

MESSAGE TO TRUDEAU ON LOCKHEED

Q: Can you confirm that President Ford sent a message to President Trudeau urging him to buy Lockheed aircraft?

A: In keeping with our longstanding policy, I cannot comment on the existence of or substance of communications between heads of state.

Completely aside from any possible correspondence, it is our policy not to recommend purchase of any specific aircraft <sup>from</sup> or any particular aircraft company.



VISIT OF PRIME MINISTER TRUDEAU OF CANADA  
For announcement 11:00 a. m. ,Friday, June 11, 1976

President Ford has invited Prime Minister Pierre Elliott Trudeau of Canada to pay a visit to Washington on Wednesday, June 16, 1976. During the course of the visit the Prime Minister will present to President Ford Canada's Bicentennial gift to the United States. The gift, a book of photographs reflecting the 5,500 mile frontier between the two countries and entitled "Between Friends -- Entre Amis," was prepared especially for the U.S. Bicentennial and contains a forward written by the Prime Minister.

During previous meetings the President and the Prime Minister had agreed on the utility of periodic informal meetings, and the President and Prime Minister look forward to this meeting to continue their discussion of subjects of mutual interest. The Prime Minister will be the guest of the President at dinner on the evening of June 16.

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Q: What are the dates of previous meetings between the two?

A: The President and Prime Minister met in Washington in December 1974. They met at the NATO summit in Brussels in May 1975, and again in Helsinki in August 1975.

Q: Can you be more specific about the reason for this visit?

A: Again, it's basically two-fold. The Prime Minister will be presenting the Canadian Bicentennial gift, and the two leaders are looking forward to continuing their consultations on the broad range of issues of interest to the United States and Canada.

I would assume there will be a general review of bilateral, Alliance and other international issues.

Q: What are the major bilateral problems between the United States and Canada?

A: In a relationship as extensive as the US-Canadian relationship, inevitably there are differences from time to time on various issues. I don't have any that I would pinpoint at present. I would say that the level of Government to Government relations and communications, our relations are excellent, and the United States and Canada are generally able to resolve differences in ways that meet the interests of both sides.

Q: Hasn't the Leader of the Canadian Opposition -- Progressive Conservative Joe Clark -- asked for an appointment with the President?

A: It is my understanding that Mr. Clark will be coming to the United States next week. At this point, I do not have anything for you on a meeting.

Q: Will the President and the Prime Minister discuss Lockheed's efforts to sell Canada the Long Range Patrol Aircraft?

A: I do not know whether this will be discussed.

Q: Is Mrs. Trudeau coming to Washington?

A: I do not believe so. This will be a working visit between the President and the Prime Minister.

US CANADIAN RELATIONS

Q: US Ambassador to Canada Thomas Enders has said that "Canada can't simply unilaterally cut back on its relations with the United States and expect there won't be reaction from us." What kind of a reaction did Enders mean? By the phrase "unilaterally cut back" on its relations with the U.S. was Enders referring to the price hike of natural gas, their cut off oil exports to the US and other similar actions by the Canadians?

A: Ambassador Enders has made this point on a number of occasions, as has Ambassador Porter before and I believe <sup>these remarks</sup> speak for themselves. We consider our relations with Canada close and harmonious, and we have frequent and frank discussions with them. In fact, the President is meeting with Prime Minister Trudeau next week. (Refer detailed ques to State)

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Q- Retaliate for oil cuts.

A- As Hartman said, we setting up several international agencies & US-Canada technical talks.



*Cleared by State*

FOR WHITE HOUSE PRESS ROOM

Mr. Nessen

1. Canadian Oil Exports to U.S. Canadian oil exports to the U.S. are 800,000 barrels per day of which 700,000 go to Northern Tier refineries (e.g., Minnesota, Michigan, North Dakota, New York, Pennsylvania). Refineries are tied by pipe to Canada and have no alternative sources of crude especially in winter. Therefore, separate infrastructure would be unnecessary to supply Northern Tier refineries in the absence of Canadian exports.

2. Phase-Out National Energy Board (NEB) study of Canadian supply/demand and production presented to Ministry of Energy, Mines and Resources in November 1974 concluded that Canada is running out of oil and recommended phase-out of exports to U.S. Under the phase-out plan exports to the U.S. would fall to 5,000 barrels per day by 1983.

In addition, the construction of a pipeline with maximum throughput of 250,000 barrels a day from producing Western provinces to consuming Eastern provinces is planned. During construction a portion of the oil destined for the pipeline was to be exported to the U.S. The current Canadian Government recommendation, however, is for provinces to shut-in this oil rather than export to the U.S. This results in accelerated phase-out.

PRESS GUIDANCE

PRESIDENT'S MEETING WITH  
CANADIAN OPPOSITION LEADER JOE CLARK

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The President met for a half-hour this morning with Joe Clark, leader of the opposition and leader of the Progressive-Conservative Party in Canada. Mr. Clark is making his first visit to the United States since becoming leader of the opposition, and he is in Washington for meetings with a number of U.S. officials.

Both the President and Mr. Clark welcomed this opportunity to become acquainted. Their discussion this morning provided for a useful exchange of views on US-Canadian relations.

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Q: What about the Trudeau meeting?

A: As announced last week, the President will meet with Prime Minister

Trudeau tomorrow afternoon (June 16) at the White House. Following the meeting the President will host a dinner for the Prime Minister.

Q: When did Clark become leader of the opposition?

A: In February 1976.

Q: Who else is Clark meeting with here?

A: It is my understanding he has meetings scheduled with several members of the Congress and with Secretaries Kissinger, Simon, Richardson and Hill.  
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CANADIAN OIL

Q: What is your reaction to Canada's announcement that it will end all export of crude oil to the United States by the early 1980s?

A: I have seen accounts of the Canadian announcement, but I wouldn't have any detailed reaction to offer now. Energy is an issue that confronts all nations today, and I believe that cooperation is essential to its solution. Bilateral and international energy problems will, I am sure, be one of the topics Prime Minister Trudeau and I discuss during his visit here next week, and I am very much looking forward to that visit.