

Congress of the United States

Washington, DC 20515

October 21, 1999

The Honorable **Charlene Barshefsky**
Office of the United States Trade Representative
600 Seventeenth Street, NW
Washington, DC 20508

Daar **Madam Ambassador**:

In November 1999, the US, and virtually **every** other trading nation on the **planet** will meet in **Seattle** to **begin** the next round of global trade talks. As **you** know, these talks **often** involve highly **contentious** issues central to **economic prosperity** of the United States **as well as** to other **participant countries** in the **talks**.

The United States has pushed **consistently** for global trade **policies** that **are** both **free** and fair. Most **Americans** believe that U.S. Industries can compete with **anyone** if the rules of the game are **fair**, and no **industry** in the United States believes in this principle **more** strongly than the U.S. movie and television **industry**.

Our entertainment industry is preeminent in the **world**. U.S. movies and **television** programs are **eagerly** awaited by audiences in all corners of the world regardless of language or **social** custom.

Unfortunately, a small number of countries have a history of **enacting** barriers to U.S. movies and **television** programs. Foremost among these is Canada, which **first** enacted legislation to limit U.S. radio broadcasts over **My-five years** ago. These **exclusionary** policies culminated in successful Canadian efforts during the 1988 U.S.-Canada Free Trade Agreement and the 1992 North American Free Trade Agreement (NAFTA) to obtain an exception from the rule of national treatment **that otherwise** assures fair competition among all countries.

Since 1932, Canada has asserted the need for special exceptions to international trade agreements to protect Canadian 'cultural **content**' or 'cultural **sovereignty**.' **Over** the years, however, any legitimacy originally attached to claims of Canadian cultural **sovereignty** has been replaced by rules and regulations that are nothing more than protectionism - plain, simple and unfair.

Canada uses the Canadian cultural **sovereignty** issue as a trade weapon in two ways:

To **limit** the number of hours that **non-Canadian programming** may be shown on **Canadian** television and **preclude** distribution of programming by certain U.S. cable companies in Canada.

To justify providing **subsidies** to "Canadian **movie** and television productions" solely on the basis of how many Canadians are hired and not **upon any** consideration of **whether** Canadian content or Canadian themes are included or expressed in the production.

We **believe** that Canada has stretched the principle of cultural sovereignty far beyond its **normal limits** in order to **protect** Canadian **movies** and **television** programming from U.S. competition. We believe that the **issue** of Canadian abuse of **the cultural** sovereignty **principle** is **cover** for erecting **old-fashioned** trade barriers and **must** be on the agenda at the Seattle talks.

For example, the **following** is a sample of recently completed U.S. projects co-produced in Canada that, based upon **the** project title, do not appear to contribute anything to Canadian culture:

Bad As I Wanna Be: The Dennis Rodman Story
The Long Island Incident
My Date With The President's Daughter
Oklahoma City
Hidden In America
Joe Torre: Curveballs Along The Way
Nixon & Kissinger
Texas Rangers

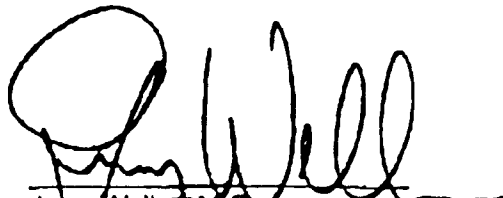
In **addition**, the abuse of the Canadian cultural **sovereignty cause** is aided and abetted by the many other **tax** and employment **incentives**, loan programs and other measures **enacted** by Canada and various Canadian provinces to lure jobs in the movie and television industry away from the U.S. A recent **report prepared** for the Directors Guild of America and the Screen **Actors Guild** found that more than 20,000 U.S. jobs in the movie and television industry have **migrated** to Canada in **1998** resulting in over **\$10 billion** in lost wages and revenues to the U.S. economy.

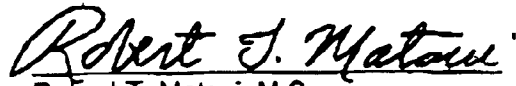
We object strongly to the **two-engine track** of Canadian trade and **economic** practice and policy: limited **distribution** of U.S. productions and **unlimited** efforts to take away U.S. **jobs**. We strongly urge you to deal forcefully with the former in the **Seattle** talks.

Sincerely,

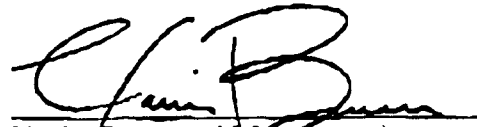

Mark Foley, M.C.


Howard L. Berman, M.C.

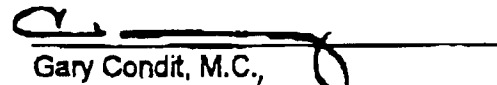

Jerry Weller, M.C.


Robert T. Matsui, M.C.



David Dreier, M.C.

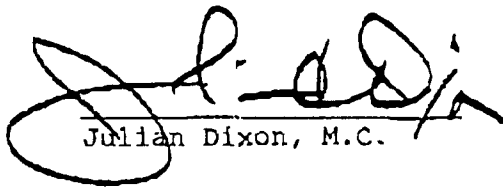

Xavier Becerra, M.C.


Howard P. "Buck" McKeon, M.C.


Gary Condit, M.C.

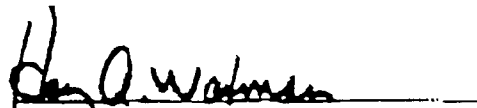

Brad Sherman, M.C.

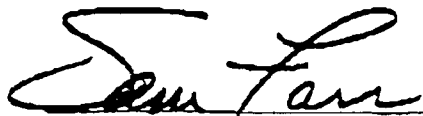

James Rogan, M.C.

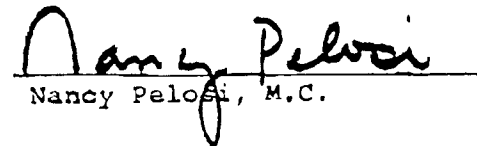

Julian Dixon, M.C.

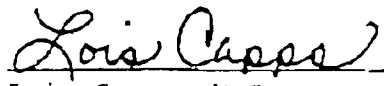

Martin Frost, M.C.

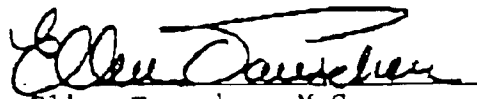

Steve Buyer, M.C.


Henry A. Waxman, M.C.

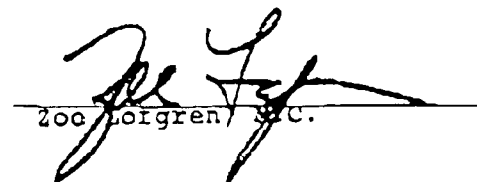

Sam Farr, M.C.


Nancy Pelosi, M.C.


Lois Capps, M.C.


Ellen Tauscher, M.C.


Tom Lantos, M.C.


Zoe Lofgren, M.C.

Anna C. Eshoo
Anna Eshoo, M.C.