Angry PM says Reagan broke word

By Martin Cohn Toronto Star

OTTAWA — Prime Minister Brian Mulroney has rebuked US President Ronald Reagan for breaking a personal promise not to increase drug imports, and signalling "impending" new trade tariffs on certain Luxembourg wine.

In his strong denunciation of US economic policy, Mr. Mulroney said he felt "impelled" to warn Mr. Reagan against any "unwelcome actions" that could provoke a "firewall effect" in Canada's trade relations.

"We are now concerned by the threat of new tariffs, with certain products in an advanced stage of negotiation," Mr. Mulroney said in a message to Mr. Reagan.

The statement was made public after the Canadian prime minister received a personal message from Mr. Reagan expressing his intention to take "appropriate action." Mr. Mulroney said he took this as a "personal commitment" from Mr. Reagan and "I was very disappointed about it." He added that he did not "feel any better" about the situation.

"It is a very serious situation and it will affect us significantly. We are very concerned about it," Mr. Mulroney said.

"Extra-bill fines may be altered

By Brian Barton

Ottawa talks could make it easier for provinces and territories to alter fines, called "extra-bill" fines, without a lengthy process.

The federal government is considering a new policy that would give provinces and territories more control over the amount of fines they impose for minor violations.

But the provinces and territories have said they want a "more participatory" approach to fines, which would give them more control over the process.

"We are very concerned," said Robert Howse, a senior policy analyst at the Canadian Council on Social Development.

"We do not want to see a situation where provinces and territories are not involved in the process, and everything is decided by the federal government, " he said.

"We feel that the provinces and territories have a lot of expertise in this area, and that they should be involved in the process," he added.

Mulroney accepts.

"If we accept the idea that the provinces and territories are experts in this area, then we should give them the tools to do it."