

British Columbians, more than most Canadians, have always understood the advantages of free trade with the United States.

A study by the Canada West Foundation of the Free Trade Agreement concludes that the British Columbia economy will gain significantly. And the Economic Council of Canada estimates that free trade will give British Columbia an extra three-point-six per cent increase in economic growth compared to a national average of three per cent.

Let's consider for a moment what we have accomplished with the Free Trade Agreement;

- over ten years it will eliminate all tariffs on bilateral trade between our two countries;
- it will largely abolish non-tariff barriers to trade on technical grounds such as health standards;
- for the first time in any international trade agreement anywhere it provides rules on investment and trade in services; and
- it introduces a fairer, faster and binding way to settle trade disputes.

All this has been done in complete accordance with our obligations under the General Agreement on Tariffs and Trade -- GATT -- which sets international trading rules. In fact, the Agreement builds on the GATT rules, and sets a model for trading rules the rest of the world can follow.

It follows the course of successive Canadian governments since the 1930s in attempting to liberalize international trade for, as a nation of merely 25 million strung out along the northern half of this continent, we know we must trade to prosper and grow.

The British Columbia economy is undergoing a rapid diversification from one based on primary resources toward manufacturing, trade services and new technology. In both the primary resource sectors and the new directions of British Columbia, free trade will enhance new trading opportunities under predictable and certain rules.

Of special interest here are the new rules for trade in services, the fastest growing sector of the B.C. economy. It gives, for example, the 10,000 engineers and 6,000 management consultants working in the province, the opportunity to work on projects or contracts in the United States without the immigration hassles they now encounter. It will allow Canadian companies close to unfettered access to sell and service their product across the border.