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In the Atlantic, the Government has created the Atlantic Opportunities Agency as a step in the direction of new growth. The federal government's commitment to increase the levels of procurement and industrial benefits by \$600 million over the period 1986-1990 is unequivocal. The government's capacity to pursue such regional development initiatives remains undiminished. The Atlantic Provinces Economic Council has concluded that the fishery and resource-based industries of the Maritimes would gain considerably from free trade. By gaining more secure and enhanced access to the largest market in the world, Atlantic Canadians will be able to realize their potential.

New Brunswick's exports of forestry products will gain more secure entry to the U.S. market. There will be new scope for New Brunswick to further process its resources, turning fish to fillets, forest products to waferboard and paper and its ores into zinc and lead. The elimination of the 50 percent U.S. tariff on ship repairs will be welcomed by the marine industry. At the same time the government has reserved the right to apply quantitative restrictions on U.S. vessels so long as the U. S. maintains the prohibitions which apply to Canadian vessels because of the Jones Act. In the future, the application of American laws which handicapped exports like lumber and processed potatoes will be subject to a bi-national panel that will ensure fair application of the law.

Electricity exports, valued at over \$275 million in 1986, will benefit from secure access to the U.S. market. New Brunswick refiners will profit from the removal of U.S. import tariffs on petroleum products, like gasoline and heating oil, customs user fees and the discriminatory application of the "superfund" levy.

Jobs and development go hand in hand with trade expansion in Nova Scotia, an historic trader with the Americas. A fair and equitable dispute settlement mechanism will go some distance toward providing more security of access for traditional exports like fish and lumber and manufactured goods like tires, all of which have been subject to U.S. trade-remedy laws. Michelin Tires, the largest Canadian manufacturer of tires and the biggest private employer in the province, will benefit from improved access for automotive exports. Tariff elimination will