

INFORMATION

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ASSESSMENT OF FREE TRADE AGREEMENT FORECASTS INCOME GAINS, MORE JOBS

The Honourable Michael Wilson, Minister of Finance, today issued a study analyzing the benefits that can be expected from implementing the Canada-United States Free Trade Agreement.

The study reviews the nature and sources of the gains from free trade, examines existing barriers to Canada-U.S. trade, and presents findings on the economic benefits that will result from bilateral trade liberalization.

Mr. Wilson said the Agreement will promote the government's goal of revitalizing the Canadian economy and creating more productive and higher quality jobs for Canadians.

The Minister said: "Canadians will enjoy more jobs, higher wages and improved standards of living." He added: "A stronger and more productive economy will allow us to better support our social programs and further advance our cultural identity."

Among the study's main findings:

- real income will be raised by at least 2.5 per cent in the long term -- a permanent increase of \$450 annually for each Canadian, or \$1,800 for a family of four;
- at least 120,000 net new jobs will be created over the first five years of the Agreement to 1993.

A summary of the study's main points is attached.

Canada