

States rather than in Canada, and substitution of new non-tariff barriers for the old ones. Given these considerations, we think it possible that gains in real GNP could be one-half per cent lower than those we have estimated and as much as 1.5 per cent higher.

But would this be truly significant? We think such differences are interesting but not critical to the debate as the central feature of these results does not lie in the percentage impact. What is important is the character of the results. There is "dislocation", but virtually all income, spending, and producing sectors, in all of the provinces, gain from the policy. It is difficult to conceive of any other policy setting which could provide such gains to everyone without encumbering future generations with a large debt load.