

existing investment restrictions (e.g. fishery, energy, telecommunications, culture), including the right of Investment Canada to review significant direct acquisitions and impose performance requirements that do not distort trade. In this manner, the agreement is sensitive to particular Quebec concerns, both in terms of import sensitivities and export interests.

Overall, it is clear that the agreement will provide Quebec with significant benefits. This positive assessment is based both on the economic impact assessments that have been made, such as the recent Economic Council study, as well as on the positive impact that trade liberalization has had in the past on the Quebec economy.

More than this, however, the positive reaction in Quebec to the FTA is based on hard economic realities. Quebecers realize that, in the context of global competition and the need to meet that challenge, we are better off adjusting in a market of 275 million people than in a market a tenth of that size. Further, they recognize that the agreement provides us with effective protection against growing U.S. protectionism. In short, by striking the delicate balance between these realities and our strong desire to maintain our economic and political sovereignty, Quebecers understand that the agreement is a sensible course of action that deserves their support.