

For Atlantic Canada, security of access will provide the confidence to expand business ventures into the United States. Lower tariffs on Canadian goods entering the United States will encourage Canadians to process products before export. That means less dependence on primary products and more and better jobs in secondary industries.

The challenge of free trade is to be able to compete in a free North American market. The FTA does not guarantee increased trade or profits, but it does provide the opportunities to attain those goals. The stories I hear from across Canada, including New Brunswick and the rest of Atlantic Canada, indicate that we are indeed seizing opportunities.

In this province, Ganong Brothers of St. Stephen, maker of world class chocolates, has now built a world class chocolate-manufacturing facility to match. It has embraced the concept of internationalizing its operations.

In anticipation of free trade, Depow Enterprises, a lumber business in Fredericton, built a \$10 million veneer and hardwood plywood mill close to the border. It could employ 250 within the next several years. The firm is also building a \$35 million gypsum wallboard plant to supply both the Maritimes and the northeastern U.S. market.

REPAP Enterprises of Montreal recently invested \$60 million in a groundwood mill and \$90 million in a kraft paper mill modernization in New Brunswick. The firm intends to use the FTA to build its base in the United States. With that base, the company can compete with producers all over the world. George Petty, Chief Executive of REPAP, recently said, "We would never have been able to compete if we couldn't get access to the U.S. market, and the FTA gives us that access."

Support for accelerated tariff eliminations beyond those in the FTA is a clear demonstration of the confidence of Canadian exporters in their ability to compete and profit under the FTA. In 1989, Canada and the United States agreed to a program of accelerated tariff elimination on 400 items covering about \$6 billion worth of bilateral trade. These came into effect on April 1. This pressure to eliminate these tariffs came, not from government, but from our business communities, anxious to share the benefits of free trade. We have now begun another round of accelerated tariff eliminations.

Free trade is working for Canada. Canada has had the fastest rate of new job creation of all OECD countries for the past 18 months. Canada is second only to Japan in the