

## **A. INTRODUCTION**

The Corporate Communications Division of External Affairs and International Trade Canada identified a requirement for assistance with public opinion research dealing with the experiences and opinions of Canadian exporters with respect to the Going Global Trade Strategy, the Free Trade Agreement and development of information materials on the Free Trade Agreement for Canadian exporters. Canadian Facts, through a competitive process, was selected to perform the research. This report presents the results of a survey of exporters.

The Canada-U.S. Free Trade Agreement came into effect on January 1, 1989. The Free Trade Agreement touches virtually all aspects of the American and Canadian economies. It was designed to:

- Eliminate barriers to trade in goods and services between the two countries.
- Facilitate conditions of fair competition.
- Significantly liberalize cross-border investment.
- Establish procedures for administration of the Agreement.
- Lay the foundation for further bilateral and multilateral cooperation.

Canadian exporters operate under new regulations on the temporary entry of personnel and rules of origin, while at the same time they enjoy increased opportunities for new markets in the United States. A variety of possibilities exist for companies to re-position their exporting activities. These include such options as rationalizing product line, applying new technologies, reorganizing distribution networks, acquiring or establishing companies, divesting operations, and financial restructuring. Clearly however, the challenges and problems of doing business under the Free Trade Agreement vary considerably among business sectors.