

The agreement will benefit the fisheries by eliminating tariffs on current exports such as groundfish fillets (4 cents per kilogram) and by providing further processing opportunities with the elimination of tariffs on prepared fish products (10% to 17.5%). For example, the President of National Sea, the largest fish company in Canada and one of the largest in the world, has stated that this opportunity could lead to the creation of 400 new jobs in his company.

The provisions of the agreement dealing with countervail and anti-dumping duties will provide important benefits to the fisheries which, in the past, has been subjected to considerable harassment by U.S. competitors using these laws. Further existing restrictions on foreign investment in the fisheries remain in place, while both parties have agreed to ensure that there are no barriers to trade which result from technical barriers (e.g. minimum size requirements). Finally, nothing in the agreement limits our right to require that all fish caught in our economic zone is landed in Canada, nor does it limit in any way our ability to control access to our fish resources.

5) Better access for Nova Scotia automotive exports. Under the terms of the agreement, at the end of ten years (five years for after-market parts) there will be duty-free automotive trade in North America. At the same time, strict rules of origin will ensure that the benefits of duty-free trade are reaped by producers located in North America, and not offshore. Further, the Auto Pact will remain in place for current participants.

Michelin Tires, the largest Canadian manufacturer of tires with modern production facilities, is the largest private employer in the province. Its exports amount to about \$300 million annually. As a producer of only premium quality radial tires, the Michelin operations are already highly rationalized and individual plants concentrate on world markets. It is expected to benefit from gaining duty-free access to the U.S. market over the next ten years. Volvo will also benefit from continued privileges under the terms of the Auto Pact, such as the ability to import duty-free from offshore. Finally, other Nova Scotia-based companies, such as Canadian Automotive Radiator, an aggressive company in the after-market parts business, should also prosper with a targeted approach to the North American market.

6) Improved conditions for trade in agriculture while preserving scope for support programs. During the negotiations, there was concern expressed that the talks would bring about fundamental changes to the scope for government support of our farming sector. It should be clear that this did not happen, nor was it our intention.