

whether it's popular or not," he told a First Ministers' conference. (*Toronto Star*, November 27).

There were mixed reactions from industry on the proposed deal. It was reported that steel, manufacturing and natural resources industries would likely emerge as winners (*Financial Post* and *Globe and Mail*, October 5). Business leaders reacted with exuberance, but also felt that it would take time to assess the deal's real impact in the Canadian economy. The Cattleman's Association and Western grain growers were also pleased with the prospect of increased exports, and poultry growers were relieved that their monopoly and price-setting powers had not been eroded (*Globe and Mail*, October 6 and *Ottawa Citizen*, October 5). Oil and gas companies were provided with an "insurance policy" against government regulation of energy prices and exports, which according to the head of the Canadian Petroleum Association would mean giving the petro-chemical industry a boost (*Globe and Mail*, October 6). Other energy sectors, such as electricity, also felt they had won a chance to gain a foothold in the US market (*Ottawa Citizen*, October 10).

Canadian financial institutions would now be allowed, thanks to the "grandfathering" clause affecting the existing privileges of financial institutions, to continue their securities activities in the US, despite their recently established connections with banks (*Globe and Mail*, October 6). This industry did, however, make clear that it was still uncertain of the implications of the deal, to which Tom Hockin, Minister of State for Finance, replied that banks had won major concessions (*Toronto Star* and *London Free Press*, October 13).

Professional groups also got a boost from the deal. Management consultants, engineers, architects and accountants all predicted a climate of enhanced business opportunity because of the new free flow of services across the border (*Globe and Mail*, October 8). The fishing industry was reportedly expecting benefits for both coasts, because of increases in investment in the industry, while at the same time having retained the requirement that companies catching fish be Canadian-owned (*Globe and Mail*, October 14).

There were, however, some industries which strongly opposed the deal. Jan Westcott, Executive Director of the Canadian Wine Institute, said that the deal would spell the end for the Canadian wine industry because of the reduction in the differential on the markup between Canadian and US wines (*Ottawa Citizen*, October 6). Ontario and British Columbia fruit and vegetable farmers also felt that they would go out of business as a result of the deal (*Globe and Mail*, October 6).

Auto parts makers were equally unhappy, stating that the agreement would cost jobs because of the 50 percent North American content rule for parts and materials to be able to move duty-free across the Canada-US border. Concerns were also voiced by the textile and clothing industry whose fear of job losses within five years stemmed from the expectation that the share of the apparel market held by domestic producers was likely to drop by 20-30 percent. The

Canadian forestry industry also voiced concern because it would still have to bear the sting of a 35 percent US tariff on red cedar shakes and shingles and a tax of 15 percent on softwood lumber exports which the deal did not affect (*Globe and Mail*, October 6).

One group of industries which called for some clarification on the trade deal belonged to the cultural sector. Leading Canadian figures such as writers Margaret Atwood and Pierre Berton voiced the concerns of the cultural community during the free trade hearings held in October and November (*Globe and Mail*, November 5). It appeared that Canadian negotiators had made some concessions over compensation for US signals picked up by Canadian cable firms, the elimination of postal rates which favored Canadian periodicals and the elimination of tariffs on recordings imported from the US. Book publishers were satisfied that the Canadian policy requiring foreign companies to sell control to Canadians within two years had survived and broadcasters were relieved that Bill C-58 on tax incentives to advertise on Canadian TV stations and the right to bump off US signals from cable had been preserved. However, the fate of a controversial film policy that would seek to curb the film distribution powers of major Hollywood studios was as yet unknown (*Globe and Mail*, October 6 and *Ottawa Citizen*, October 10).

The energy sector, although delighted at the prospect of new markets, faced heavy opposition from politicians and economic nationalists who saw the newly created continental energy policy as the abandonment of the policies of Canadianization and security of supply. The agreement also compromised Canadian sovereignty by giving the US free access to Canadian energy, even in periods of shortage (*Ottawa Citizen*, October 10 and *Montreal Gazette*, October 14).

Finally, the Canadian transportation industry was worried that the still-secret provisions in the trade deal would permit US companies to expand their operations in Canada without allowing reciprocal treatment for Canadian airlines, railways, trucks and ships (*Evening Telegram*, St. John's, November 19).

Special interest groups also reacted to the deal. Canadian Labour Congress leader Shirley Carr said that the trade deal came on a "dark day for Canada," and was a "national disgrace." She said she would oppose the deal because it would cost one million Canadian jobs. Her feelings were echoed by the Council of Canadians, which was preparing to draw up a new strategy to oppose the pact (*Toronto Star*, October 5). The Council, according to a *Toronto Star* report on October 8, had asked Statistics Canada to compile information on the relationship between foreign investment and unemployment. The study showed that the welcoming of foreign investors would not help solve the country's unemployment problem.

Canadian auto workers leader Robert White also opposed the pact, saying that "It'll mean we're moving towards a Rambo, dog-eat-dog, survival-of-the-fittest society with no ability to maintain the social programs or ability to structure our own economy" (*Globe and Mail*, October 5). The Pro-Canada Network, a coalition