

Import Law. Direct export subsidies will be prohibited from use in bilateral trade. By agreeing to the elimination of costly export subsidies on bilateral trade, Canada and the U.S. take a pioneering step forward.

In addition to opening up the U.S. market to manufacturing, Manitobans have been anticipating the economic activities and export dollars that the Limestone II hydro-electric project will create when it comes on stream at the end of the decade. Access to the U.S. market for electricity is now more secure. Possessing the most diversified economy of the Prairie Provinces and with over half of its exports directed towards the U.S., Manitoba industry, especially manufacturers, will find new opportunities. The urban and intercity bus sector and the aerospace industry will benefit from more open access to U.S. procurement.

Clothing manufacturers, particularly those making parkas and winter outerwear, will find their coats more competitive in the U.S. The tariff-free entry of unlimited amounts of garments made with Canadian or U.S. fabrics will ensure many new jobs, not only for Manitoban apparel makers but for textile makers. Health and technical standards will no longer be permitted to inhibit agricultural exports. Insurance companies will have secure access to the larger U. S. market.

No part of Canada has more to gain from the Agreement than Ontario. Ontario's economy was built largely on its trade with the U.S. Today, over 90 percent of its exports go to the U.S. With over two-thirds of these exports in the automotive sector, the government had two objectives in the negotiations: to preserve the benefits of the Auto Pact and to expand the opportunity for future growth in this industry. This was achieved. In recognition of the importance of the auto industry in both countries, a select panel will be struck to recommend public policy measures and private initiatives to improve competitiveness.

The phase-out of tariffs over the next decade will benefit manufacturing in Ontario. Ontario's exports of electricity will be more secure. Ontario will continue to have assured access to U.S. coal for its steel mills and electricity plants. The Agreement secures the U.S. market for uranium. Ontario farmers, whose output is the largest of all provinces, will benefit from better access to the U.S. market, while the interests of the dairy, poultry and egg producers are