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The adjustment challenges facing the converted wood and paper producers are expected to be more significant as major industrial restructuring and rationalization will be required to improve the international competitive position of these industries.

World demand for our major export items including lumber, pulp, and newsprint is expected to grow more slowly over the next few decades. Much faster rates of growth are expected for the higher value-added grades and specialty products. Elimination of U.S. tariffs on these higher-value products will allow Canadian companies to seize these resulting new market opportunities.

In summary, the Agreement will provide the secure access for Canadian sizeable shipments of primary products to the United States, will create new market opportunities for higher-value products, and will result in more internationally competitive operations in all product sectors.