

specific reference to Canada-U.S. trade options, the West and the Maritimes strongly supported broad bilateral free trade and urged the Government to move rapidly to negotiations. The West expressed concern that the "window of opportunity" would close unless Canada took an early initiative. It stressed the importance of trade opportunities in the rapidly growing Pacific Rim markets and emphasized that Canadian trade restrictions affecting these countries would harm our export potential.

In the Atlantic provinces, many expressed strong concern regarding U.S. contingency protection measures as they affect lumber, agriculture and fisheries, as well as "Buy America" procurement provisions. They also addressed problems of single-industry communities and regions and higher labour costs confronted by Canadian manufacturers.

In Quebec, the consultations in Montreal echoed the broad support heard in the Western and Atlantic provinces for early negotiation of a comprehensive trade agreement, including from representatives of the clothing and textile sectors. In contrast, in Quebec City such views were muted by concerns of small businessmen over the adjustment impact of increased import competition. The Quebec Chamber of Commerce submitted a detailed written brief favoring a comprehensive trade agreement with the United States.

In Ontario, the response was more cautious. Whereas the majority view strongly favoured broad trade liberalization and better discipline on non-tariff measures, it was also emphasized that action on inter-provincial trade barriers must be integral to this process. Serious doubts were expressed by some on the ability of Canadian industry to compete with the United States, given higher costs notably of labour, smaller plants and a heavy degree of foreign ownership, leading to the hypothesis that some firms might disinvest in Canada under a liberalized trade regime.

Consultations with business highlighted the importance of seeking improved access to export markets for Canadian primary agriculture, fisheries, resource- and energy-based products as well as for a broad range of machinery, equipment and other manufacturing products. The significance of enhancing the security and predictability of export access conditions, particularly by reducing the vulnerability to the U.S. import contingency protection system, was a major concern across the country. Particular import sensitivities appeared in the areas of agricultural and processed food products, paper products, specialty chemicals and plastics, shipbuilding and offshore drilling equipment, auto parts, furniture, textiles and clothing, footwear and cultural products. Import penetration concerns were evident in meetings with the Canadian Pulp and Paper Association as well as with the various cultural associations.