

Consumers of resources or semi-processed products would no longer subsidize producers or holders of government leases. This would result in lower input costs to the manufacturing sector. Both directly as plant size becomes more optimal and indirectly by reducing input costs to other sectors of the economy, Canadian international competitiveness would be enhanced. The elimination of discretionary practices and producer subsidy arrangements would in turn, eliminate the threat of countervail retaliation and aid the process of bilateral and multi-lateral trade negotiations. Other than some immediate mitigation of current U.S. irritants arising from resource practices, the benefits of barrier removal in this case will be slow to accrue but nonetheless permanent.

The majority of benefits would arise from greater efficiency in the production and distribution of services. For example, in trucking, competition would be enhanced by the removal of barriers and goods could move from Newfoundland to British Columbia without incurring the removal of barriers arising from provincial resource practices which would produce a similar set of benefits as industrial assistance programs. Capital would be allocated more efficiently. Public utilities would be utilized more efficiently. A simpler tax system would result and government debt could be substantially smaller and more manageable. Transmission and more specialized carriers would emerge which would result in user savings. As a result, the B.C. forest industry could lead to collateral industrialization in advanced regions. These spin-off elements relate to technology research and development, resource management, resource engineering and harvesting, transportation and other services. Such industries and services recognized should directly constitute trading opportunities. The elimination of barriers that affect business practices and professional skills can only enhance the mobility of personal expertise. This is vital to a labour market which is relatively small.