

There are real benefits in the Agreement for B.C.'s manufacturing sector. For newsprint producers, access to the U.S. market is secured, and with the elimination of tariffs, B.C. logging and sawmill equipment manufacturers will be able to compete more effectively in the U.S. market. B.C. manufacturers of electronics, particularly telecommunications equipment and software, will also benefit from the removal of tariffs.

B.C. competitive suppliers will have greater access to the U.S. market in activities such as fisheries, environmental and resource sciences, engineering, maritime defence and offshore exploration.

During the transition period for tariff elimination, tariffs can be temporarily restored if the industry is being injured by imports. For horticultural products, the transition period is 20 years.

There will be adjustment by both the B.C. wine industry and grape growers as a result of the Agreement. The Government, with the industries and the province, has begun the process of assessing the impact on the sector's competitiveness and developing a special adjustment package.

PRAIRIES

The U.S. is by far Alberta's largest export market, accounting for about 75 per cent of its total exports. These exports were worth more than \$10 billion in 1986, of which 50 per cent were natural gas and crude petroleum. In 1986, 47 per cent of Saskatchewan's exports went to the U.S., mostly potash, uranium, petroleum, grains and oilseeds, and over 56 per cent of Manitoba's exports go to the U.S. in the form of primary resources and finished manufactured goods.

As a result of the removal of tariffs under the Canada-U.S. Free Trade Agreement, Prairie livestock producers will be more competitive in the U.S. market. So will producers of grains, oilseeds and potatoes.

Exemption from U.S. meat import laws will give Prairie beef producers greater and more secure access to the U.S. market.

The Agreement's dispute settlement mechanism will ensure that Prairie farmers and food processors receive fair treatment when faced with U.S. trade actions.

The Agreement promotes the building of energy reserves through competitive prices, flexible markets and a strong and vibrant industry. For Alberta's oil and gas industry this means greater security for exports to the U.S. For Saskatchewan, the Agreement means elimination of the protectionist threat against the \$300 million worth of uranium exports to the U.S., and the Agreement secures Manitoba's electricity exports to the U.S. Mid-West.

The Prairie Provinces will also benefit because the Agreement relaxes rules that restrict energy trade between Canada and the U.S. The U.S. will not be able to restrict quantities or impose special energy taxes.

The Prairie Provinces will be able to process more raw materials because it will be more economic to do so. This means more jobs in forestry, metal products and chemicals. With 75 per cent of Alberta's petrochemical exports going to the U.S.,