

- (2) Access to the U.S. market is critical to Canada's economy and critical to Newfoundland's economy. 65% of Newfoundland's exports go to the U.S. For the first six months of 1988, Newfoundland's exports to the U.S. totalled \$944 million. (That's an increase of over 145% from the figure of \$385 million in the first six months of 1984.) 76% of Canada's exports go the U.S., accounting for more than two million jobs. Securing access to the U.S. market will help maintain those jobs.
- (3) The Free Trade Agreement will spur economic growth in every province of Canada. The Economic Council of Canada has predicted that the Canadian economy will grow by 2.5% and Newfoundland's economy will grow by 2.7%, faster than the national average. 250,000 additional jobs will be created nationally, with employment in Newfoundland again predicted to exceed the Canadian average.
- (4) Elimination of tariffs will help Canadian exporters sell more goods into the U.S. market. This will include new products that it has not been possible to export until now because of high U.S. tariffs. An important example for Newfoundland is processed fish products that now face tariffs as high as 20%. Here's what Vic Young, President of Fishery Products International, said about the elimination of these tariffs under the Free Trade Agreement,

"At the moment, Canadian seafood companies have been forced, through a series of trade barriers, to build secondary processing plants in the United States to add value to Canadian fish products. With the reduction of tariffs on such products over the next several years there is little doubt that we will see a growth in the market for Canadian fish products and an increase in the production of these products in Atlantic Canada. In other words, Free Trade will mean an increase in employment opportunities in the Atlantic Canada fishery."
- (5) Elimination of tariffs will also help important sectors for Newfoundland like mining and newsprint production by reducing the cost of equipment and materials imported from the U.S. This will place our mines and paper mills in a stronger competitive position in tough international markets.