

GRAY: But what does that really mean and that's the kind of thing that even Carl Beigie or the C.D. Howe Institute has been talking about . Everybody agrees that there should be an adjustment period.

PAWLEY: Yes, and in my view that adjustment period should be lengthy and I indicated this yesterday should be renewed if in fact there are jobs that are threatened by movement towards a common market arrangement. Now in my view Manitoba has a great deal to gain by the opening up of trade, by the elimination of trade barriers. We now have duties on our hogs which are affecting the hog industry in the province of Manitoba. Forestry, steel, other areas that are vital to Manitoba, where there could as well be additional limitations or restrictions imposed.

GRAY: You talk about the duties on hogs. It raises a real concern amongst people who oppose the idea of free trade. You're probably quite familiar with this, but it will affect severely a whole bunch of domestic policies such as subsidies for farmers. Like equalization which is a policy which your province... which is very important to you in Manitoba. These things will be seen as non-tarif barriers and as such under a new agreement will be unacceptable to the United States.

PAWLEY: Well, I think what is necessary and this communique provides for this as well, that the federal government must involve the provinces in all stages of negotiation. In Manitoba and speaking from the point of view of Manitoba furniture and textiles