

D. Effect of Free Trade on Canadian Business Sectors and Regional Development

1. Effect on business sectors

Results for a series of questions that asked Canadians whether they think certain industries would do better or worse under a free trade agreement are depicted in Table 6. The table portrays results collected from surveys conducted in October, as well as data from the previous three waves done during November/December.

Table 6

EFFECT OF FREE TRADE ON CANADIAN BUSINESS

	<u>BETTER</u>			<u>WORSE</u>			<u>NO EFFECT</u>			<u>CORRELATION GAMMA</u>		
	<u>I</u>	<u>II</u>	<u>III</u>	<u>I</u>	<u>II</u>	<u>III</u>	<u>I</u>	<u>II</u>	<u>III</u>	<u>I</u>	<u>II</u>	<u>III</u>
	%	%	%	%	%	%	%	%	%			
Wood and paper products	48	47	51	45	44	41	5	7	7	.496	.484	.485
Oil and gas industry	56	55	57	35	34	33	7	9	8	.451	.530	.483
Fish and fish products	41	42	43	47	44	44	10	11	11	.575	.475	.540
Films, books and magazines	37	35	41	47	48	42	14	15	15	.381	.348	.399
Wine industry	29	26	31	58	58	56	7	9	9	.330	.362	.237
Agriculture and farming	33	36	35	57	53	55	8	10	9	.535	.567	.530
Cars and car parts	31	30	36	59	56	50	9	11	12	.491	.496	.543

Although to a lesser degree than in October, the wood and paper industry, and the oil and gas industry are the only two industries which a clear majority of Canadians expect to do better under the agreement. The data still indicate that Canadians expect the agriculture, wine, cars and car parts, and cultural industries to do worse under the FTA.

Two major differences from the October survey results are apparent in the data. First, the percentage of Canadians who feel that the wood and paper industry would be better off under a free trade agreement dropped from 59% in October to 48% in the first wave of the most recent survey (it rebounded modestly to 51% in the third wave). The number of Canadians who feel that the wood and paper industry would be worse off has risen to 41% in the third wave from 32% in October.