

Over the government's medium-term fiscal planning horizon, an estimated 120,000 net new jobs will be created by 1993, only five years into the phasing in of the Agreement. And the extent of the job gains will increase as the Agreement becomes fully implemented, as other studies indicate. Moreover, by providing more secure access to the U.S. market, the Agreement will help to maintain existing jobs: illustrative scenarios suggest that 75,000 or more jobs could be lost by the mid-1990s in the even of increased U.S. protectionism without more secure access to the U.S. market.

The economy will have little difficulty in making the adjustments required to prosper from free trade over the 10-year implementation period for the Agreement. The economy has shown considerable flexibility and adaptability in the past in coping with similar changes. It is currently well positioned to take advantage of the new opportunities and to adjust quickly, and extensive programs are in place to help business and workers handle the adjustment to free trade. Furthermore, the adjustment requirements will be small: free trade will lead to about 25,000 workers per year, on average, changing their jobs during the transition period -- a small fraction of the more than four million workers who normally change jobs annually in Canada.