

- CREATE EFFECTIVE PROCEDURES AND INSTITUTIONS FOR THE JOINT ADMINISTRATION OF THE AGREEMENT AND THE BINDING RESOLUTION OF DISPUTES OVER THE APPLICATION OF COUNTER-VAULT AND ANTI-DUMPING ACTIONS; AND
- LAY THE FOUNDATION FOR FURTHER COOPERATION TO EXPAND AND ENHANCE THE BENEFITS OF THE AGREEMENT.

AS PRIME MINISTER BRIAN MULRONEY SAID IN ANNOUNCING THE AGREEMENT TO THE HOUSE OF COMMONS ON MONDAY, "WHILE NOT PERFECT, THE TRADE AGREEMENT MEETS OUR REQUIREMENTS AND ALL OUR FUNDAMENTAL OBJECTIVES."

SO WHAT ARE THE IMPLICATIONS OF ALL THAT FOR CANADIANS?

1. THERE WILL BE LOWER PRICES FOR CONSUMERS AS TARIFFS COME DOWN. SMUGGLING CONSUMER GOODS ACROSS THE BORDER FROM BELLINGHAM MAY WELL BECOME A THING OF THE PAST FOR WEEKENDING VANCOUVERITES BECAUSE THEY'LL BE ABLE TO GET IT JUST AS CHEAPLY HERE.
2. WE WILL BE EXPORTING GOODS AND SERVICES TO THE UNITED STATES, NOT JOBS. CANADIANS LIKELY TO INVEST SOUTH OF THE BORDER TO GET BEHIND THE PROTECTIONIST WALL WILL BE MORE LIKELY TO INVEST IN CANADA. AS DAVID CULVER, CHAIRMAN AND CHIEF EXECUTIVE OFFICER OF ALCAN, SAID THE OTHER DAY: "WE DON'T HAVE TO SAY TO OURSELVES PERHAPS WE BETTER BUILD THE PLANT IN THE U.S. IN ORDER TO BE SURE WE'RE INSIDE THE BARRIERS....WE CAN NOW INVEST IN A BIGGER PLANT IN CANADA, SECURE IN THE KNOWLEDGE THAT THE PLANT WILL HAVE ACCESS TO THE U.S. MARKET." MULTIPLY THAT MANY TIMES AND THE RESULT IS MORE JOBS IN CANADA.
3. WITHOUT RESTRICTION ON INVESTMENT IN THE U.S., CANADIANS ARE LIKELY TO INVEST THERE AS PART OF A STRATEGY FOR PENETRATING THE AMERICAN MARKET THROUGH, PERHAPS, BUYING A RETAIL CHAIN TO PROVIDE OUTLETS FOR CANADIAN GOODS.