

E. OPINIONS ON THE FREE TRADE AGREEMENT

Exporters' opinions on the Free Trade Agreement between Canada and the United States represented an important part of the survey. Respondents were asked about:

- The effects of the Free Trade Agreement on their industry.
- How long they felt it would be before they would expect to see long-term impacts?
- What the long-term benefits would be?
- How it would affect the Canadian economy?
- What changes they would look for to know whether free trade was having an impact on Canada?
- What the direct consequences of the Free Trade Agreement have been on their company?

1. Effects of Free Trade

In response to whether companies in their industry have benefited more than, less than or about the same as their U.S. counterparts as a result of the Free Trade Agreement, respondents were divided on the issue (Table 9). About 37% stated that there was no effect on companies in either country, while a similar percentage indicated they felt that they had benefited less than their U.S. counterparts. About 11% said that they had benefited more, while the same percentage said that the benefits were about the same. When the "don't knows" are added to those who saw no effects or saw the effect as the same, a majority of exporters can be considered to view the FTA as neutral in its effects on companies in their industry.

Differences by industry sector were quite striking: exporting manufacturers and those in the agriculture/forestry sector were more inclined to feel that Canadian industries had benefitted less than their U.S. counterparts than were exporters in the service sector; a majority of them thought that there was no effect on either country.