

**National and Provincial Economic Effects of
Regulations to Reduce Emissions of the
Pulp and Paper Industry**

Final Report

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1 INTRODUCTION

As concerns about the environment emerged in the late sixties and early seventies, the Government of Canada, provincial governments and industry began to take initiatives to reduce emissions. The pulp and paper industry, then widely regarded as a major source of environmental stress, was especially singled out for remedial action.

For its part, the Government of Canada amended its powers under the century-old Fisheries Act in 1970/71 to establish minimum national standards for effluent emissions. The standards, which varied for new, old and "altered or expanded" mills, were to be developed in consultation with the industry and provinces. Trade-offs of environmental and economic considerations were part of the items to be given consideration in establishing the amount and timing of remedial action.

Under the aegis of this legislation, and accompanying regulations, emissions have been substantially reduced. In the fifteen years between 1971 and the end of 1985, per unit emissions of the 122 mills directly discharging effluents into Canadian waters, were decreased annually as follows:

- o 5.1 per cent for Total Suspended Solids,
- o 4.1 per cent for Biological Oxygen Demand, and
- o 3.7 per cent for acute toxicity releases. 1/

These annual rates of decrease compare favourably to annual decreases implicit in current calls for the reduction of Greenhouse Gas emissions by the end of the century.

Nevertheless, the Department of Environment, following several years of detailed analysis and monitoring, has concluded that the pace of emission reductions needs to be accelerated. This follows from assessments related to the damage to the fisheries in some river basins, the fact that enabling regulations in some provinces do not target on the minimum national standards, implementation problems related to both industry participation and difficulties in enforcing regulations in the courts, and finally, a growing awareness that organo-chlorines require new reduction strategies. To implement the commitment to accelerated reductions, the Government of Canada is proposing to tighten effluent standards and otherwise alter regulations under the Fisheries Act to ensure wider compliance, and intends to introduce amendments under the Canadian Environmental Protection Act to reduce emissions of dioxins and furans.

The investment sums, and changes to production processes occasioned by these, will be very substantial. Further, they affect an industry of notable consequence for the Canadian economy. In 1989, the pulp,

1/ William F. Sinclair, Controlling Pollution from Canadian Pulp and Paper Manufacturers: A Federal Perspective, Environment Canada, July 1988. p. 525. See this document otherwise for a thorough and detailed review of the state of the environment in so far as it is affected by the pulp and paper industry.

newsprint, and all other forms of "paper" production added value to the economy of \$11 billion (or 1.7 per cent of total Gross Domestic Product), and employed 123,000 person-years, (or one per cent of total employment). Products of the industry rank second only to automobiles as a source of export earnings. In fact, the Canadian industry, which is mostly Canadian-owned, accounts for about one-sixth of world pulp production and one-third of world newsprint production. Typically, two-thirds to three-fourths of Canadian production is exported.

As importantly for Canadian public policy as are these indicators, is the industry's spatial characteristic. It is located in nine of Canada's ten provinces. It is the major, or substantially the only, source of employment in approximately 175 communities, which together have a combined population of about one-quarter million.

Finally, the industry indirectly affects other sectors in substantial measure. Costs of input materials and services in 1989 were on the order of \$15 billion. It is of course a major source of demand for the forestry sector, and of particular importance to chemical producers.

The Department of Environment has undertaken a detailed study of the implications of the changed regulations for each of the 151 mills in the country, and as press reports indicate, for at least the major firms. 2/ The principal purpose of this study is to assess the implications for the economy as a whole of the intended new actions, given inputs from the Department about how investment and operations at each of the mills will be directly impacted, and a method of analysis that assesses how these direct effects are transmitted through to the rest of the economy through indirect and induced impacts. A by-product of this is a view of the implications for the pulp and paper industry as indirect and induced effects feed-back to the industry.

2/ See "Pulp mills get \$4-billion bill", Financial Post, June 25, 1990.

2 METHOD OF ANALYSIS

2.1 Overview Of Impact Terminology, Transmission Mechanisms And Models Used

Changes in regulations will cause pulp and paper firms to take actions that they otherwise would not. These will include investments to alter the processes used in producing pulp and paper, and investment in facilities that are external to the normal processes used in producing marketable commodities. In those cases where the changes to the plant's fixed capital is made to achieve a change in its operations; this may include more or less use of factor (i.e., labour) and material inputs.

Additions to annual depreciation costs, and any additional costs of operations can be financed through several mechanisms, including reduced profits, taxes that are sensitive to capital consumption, or through attempts to increase prices. Some plants could cease operation. If financed through reduced profits, this implies reduced future investment in facilities to produce pulp or paper. If financed through accelerated depreciation, then that part of the burden implies reduced government tax receipts. If financed through attempts to pass costs on into prices, then impacts on the activity of the pulp and paper industry (and indirectly, on its suppliers) will reflect the extent to which consuming domestic and foreign markets are price sensitive. In general, we would expect that higher prices will be reflected in reduced volumes of sales in Canada, and abroad.

Changes in investment, in the amount and kind of materials used in production, and in the sales volume of pulp and paper will have indirect effects as well. Thus, producers of the steel, coke and iron ore needed to produce a boiler, or tubing, directly required to satisfy the investment spending of the pulp and paper industry are indirectly affected. Similarly, if higher prices lead to reduced sales, unfavourable indirect effects will occur for those involved in transportation, storage, retailing and otherwise bringing the products to markets.

In addition, the wages paid to those who produce the boilers, steel, coke and iron ore, or to those who are directly hired by the pulp and paper industry to operate the new processes, will induce other activity as recipients of this income spend at least part of it in the form of additional consumption. Similarly, changes to profits of the pulp and paper industry, and suppliers of investment goods and operations materials may induce further investment. Impacts on government balances can induce other changes to the economy through effects on interest rates, or spending by governments. Impacts on foreign trade can induce yet further changes through effects on exchange rates.

The reduced stress on the environment from the actions outlined above can similarly have direct effects on the economy. Thus, a reduction in both oxygen demanding effluents and in toxic substances entering the waterways should improve the capacity of the waterways to support fish stocks, and therefore directly enhance economic prospects through commercial fishing, sport fishing and other recreational services. Changes in internal processes can yield by-products of commercial value to the internal operations of the plant, or others. Finally, lowered emissions

can reduce the requirement for municipal and industrial waterworks downstream from the plant site, and if the toxic substances accumulate, expenses for a clean up at some later date. Each of these direct effects can have indirect and induced economic consequences in turn.

In this study, the direct economic consequences of the program studied are provided to us by the Department of Environment. Section Three details these as assumptions. Since there is some uncertainty about how mills will react directly, several impact cases are run to sensitize the results to this fact. Indirect and induced effects of the program are assessed with the aid of two econometric models developed and maintained by Informetrica. The results are presented as a composite of the direct, indirect and induced effects.

To measure the impacts, a standard method has been used. Using the two models, a Base Case forecast of Canadian and provincial economic prospects is developed. This is predicated on a large number of assumptions about foreign economic prospects, government fiscal and monetary policy, factors affecting population growth, model imbedded assumptions about private and public behaviour, etc. Among the assumptions that are directly relevant to this study, the case assumes that current emission standards and practices in adopting emission reduction capital and processes are maintained indefinitely into the future.

Using this Base Case as a starting point, a second, forecast of economic performance is prepared by assuming that emission standards are altered. Firms respond by investing in emission-reduction equipment and structures (some of which is imported), financing this and changed operating expenses by raising prices, or by reducing returns to capital. Comparison of the second, "Impact" to the "Base" Case forecast of the economy constitutes the measures of impact. Each year reported compares what the future state of the economy would look like in that year with the differences accounted for solely by changes in assumptions about the impact of the changed emission standards and industry direct reaction. The differences cannot be used to indicate how the emission program would affect either the industry, or the economy as a whole, as compared to the present day since this is affected by all assumptions that affect the economy.

The national model (TIM) used incorporates a disaggregated model of demand covering approximately 400 categories of consumer, investment, government expenditure, export and import, and inventory final demands. Thus, direct effects on industry investment can be introduced into the "pulp and paper" industry's investment which is separately identified in the model. TIM also includes an embodied input-output table to translate impacts on final demand into requirements for output and employment (for approximately 80 industries). Thus, investments specific to the pulp and paper industry are reflected in the indirect effects on the whole chain of value-added that is needed to supply the investment goods that are specific to the pulp and paper industry. Further, changes in labour requirements directly occasioned by the change in operations can be introduced specifically to the pulp and paper industry's employment.

Finally, TIM includes a complementary, disaggregated model of price formation at the producer stage and for final demand, and detailed

determination of government fiscal effects and financial performance. The highly detailed view of price formation means that effects that are specific to the pulp and paper industry can be separately identified and are represented in all final demand prices appropriately weighted for the extent to which paper is an intermediate material input in all other prices. In short, both relative price and aggregate price effects are properly accounted for.

Provincial effects are determined by allocating national industrial effects to each of the ten provinces, and the two Territories in the second model, RIM. The eighty separate industrial categories identified for the national economy are also separately identified in each of the provinces. For the pulp and paper industry, information developed by the Department of Environment about which mills are most sensitive to the shock has been incorporated into the simulations. Further, investment in structures undertaken by the pulp and paper industry are assumed to be supplied from "local" construction resources. In general, impacts on all other goods-producing industries are proportionate to the Base Case amount of activity in each province. Implicitly, this "rule" is consistent with a view that pulp and paper plants, in making their investments, will purchase from least cost suppliers.

Provincial impacts on output of services industries is determined endogenously in the model, and are typically sensitive to the volume of production in the goods-producing sectors of the province, or near-by provinces, and to population resident in the province. A migration model is embedded so that economic effects can be reinforced through effects on population.

Appendix A provides an overview of the two models.

2.2 Base Case

The magnitude of the effects can arguably be determined by the state of the Base Case economy. Thus, if the economy is operating at "full employment" when the emission-reduction program causes pulp and paper mills to make additional investments, and if these are fully incremental to the investments the firms would otherwise make, then real resources available to supply the emission reduction fixed capital will be scarce, and the program could arguably yield unusually strong inflationary pressures, or such capital goods would tend to be supplied mainly through imports.

Second, results can be sensitive to the relative prices of the products produced by the pulp and paper industry. If for example, export prices for newsprint, pulp and other paper products are "high" and rising, then this could be argued (as is often done) as easing the problem of financing the emission reduction program. If, however, the program leads to some loss of exports, then the relatively high prices imply a comparatively large loss of income for the Canadian economy. In such a circumstance, the induced, negative effect of the program would tend to be enlarged.

Finally, the state of interest rates can arguably have effect on

the size of the impact. If interest rates are relatively high, as measured, for example, by real interest rates, then increased indebtedness of Canadians to foreigners (as could be occasioned by a sharp increase in imports of the emission reduction equipment or through loss of the pulp and paper industry's exports) will tend to strengthen negative effects on the economy over time as foreign savings used in earlier years are repaid. Similarly, high real interest rates can have effect on sector incomes. Thus, for example, if reduced real activity leads to worsened government balances, then future interest costs of governments are especially affected under conditions of high real interest rates.

The Base Case economic outlook used for this study was prepared at the end of March 1990, and is described in some detail in Appendix B. In brief, for the economy as a whole, the real growth in this outlook reports an increase at below potential in 1990, following from a combination of reduced growth abroad, especially in the US, fiscal restraint associated with the 1990 and earlier Federal budgets, and especially high nominal and real interest rates, currently being used by the Bank of Canada to restrain growth and inflation.

We assume the Goods and Services Tax (GST) is implemented on January 1, 1991, with a one-year, positive impact on inflation. With accelerating growth in the US economy, and the pro-export implications of the GST, Canadian export growth accelerates, and growth of the economy as a whole is at close to potential in both 1991 and 1992. The legacy of slowed growth in 1990, under these circumstances, leaves the unemployment rate at a little more than 8 per cent through the three years (1990-92), however. Steady growth, at slightly above potential in 1993-94 begins to reduce the unemployment rate, a condition that persists through to the end of the century. The pace of price changes, post 1991, is in the 2.5-3.5 per cent range as measured by the Consumer Price Index.

In summary, this outlook includes some small "slack" in labour markets through the years (1991-93) when the Department of Environment anticipates that the major portion of the investment expenditures triggered by its pulp and paper initiatives would occur. Real interest rates remain high through these years and are still at 5 per cent in 1994. Post that time, real rates are lowered, but remain high by historical comparison throughout the balance of the decade. Federal government balances remain in substantial deficit through the early years of the 1990s, but are improving. In contrast, provincial and municipal budgets are basically balanced throughout the projection.

It should be noted that while details of this national outlook differ from those reported in the most recent budget outlook published by the Department of Finance, the character of the outlook is essentially the same for the period through 1994.

Consistent with the national outlook, growth slows for most provinces in 1990, but the deceleration is particularly pronounced in Central Canada, reflecting its special sensitivity to slowing growth of the US market, and high interest rates. Particular weakness in Newfoundland and Prince Edward Island reflects difficulties in the fisheries, and for the latter, the closing of Summerside. Especially strong growth in Saskatchewan, and to a lesser degree in Manitoba and Alberta, reflects a

recovering grain farm economy following the drought at the close of the 1980s.

Post 1990, growth in Central Canada is slightly more rapid than for the economy as a whole, reflecting the industry's special sensitivity to steady growth in the US, and the benefits of the FTA and GST to manufactured exports. Especially strong growth in Newfoundland, PEI and New Brunswick in the first half of the 1990s reflects an assumption that the Hibernia and Fixed Link projects occur. Growth in Nova Scotia, and for the Prairies lags behind that of the rest of the country, except for Alberta in the second half of the 1990s when rising world oil prices provide stimulus. Growth in British Columbia also lags behind that of the rest of the country through the first half of the decade.

Given this growth picture, fairly typical unemployment rate patterns emerge. Rates in Ontario are typically the lowest in the country, with notably high rates persisting to the East of that province. Rates on the Prairies are typically close to the national average, while those in BC are somewhat higher.

For the forestry and associated manufacturers, the outlook is generally benign. Output growth in the pulp and paper industry exceeds 3 per cent, except for 1990 and 1991 when continental markets are growing only slowly. The decade-long average growth projected is slower than has been registered since the sharp recession of 1982, but is stronger than the average pace recorded over the past 30 years. Investment by pulp and paper manufacturers, which has been surging in the face of capacity constraints, continues to grow rapidly through 1990, but increases only slowly from this high level thereafter. Nevertheless, this yields growth in the capital stock of the pulp and paper industry that is faster than the growth of output throughout the outlook. That is, the capital intensity of the industry is deepened. Employment also increases in the industry, but by less than output, reflecting the productivity-enhancing characteristics of an enlarged capital stock.

Of key interest are changes in relative prices. Prices for products of the industry are, of course, notoriously, sensitive to the business cycle, rising during periods of rapid North American economic recovery and falling during downturns. In this outlook, annual changes in the export prices of pulp, newsprint and other paper products, relative to total merchandise export prices, decrease by 1.7-1.8 per cent over most of the 1990s. This reverses the long-term trend of the past, during which prices of the three commodities have tended to grow more quickly than export prices generally. It does, however, reflect the fact that the post-1982 economic recovery has yielded a very rapid run up in industry prices to the current time.

Other, more technical trends affecting the industry may or may not be consistent with this projection of industry growth and prices. Changes in the process of manufacturing pulp, and a continent-wide trend towards use of recycled paper will certainly affect both the size of the Canadian industry, its provincial distribution, and the extent to which emission-reduction programs are required. Since these affect the industry's composition and size only slowly, we judge they would have only second-order importance to the industry impacts we report, and that their

importance will grow only over time. We also judge that the implications for total-economy affects, the principal focus of this study, would be very small.

3 IMPACT CASE ASSUMPTIONS

The direct impacts of intended regulations on the pulp and paper industry have been provided to this study by the Department of Environment. These include changes to industry investment and operations costs under the new regime, and detailed information reflecting the sourcing of the abatement and/or process change equipment and materials that will be used in new structures. To allocate likely impacts on provinces, we have drawn on the advice of the Department regarding those mills that appear to be most vulnerable from a variety of perspectives - financial, access to markets and timber, etc.

These inputs are based on a detailed research program that has been carried out by the Department, and other federal agencies with which the Department collaborates. Inevitably, of course, even highly detailed studies are subject to a band of uncertainty about exactly which regulations may be implemented, and about how they may directly affect the mills. Accordingly, this study is structured as several impact statements, each one of which is predicated on a different view of the direct impacts on the industry.

The cases studied are the following (titles used in tabulations are **bolded**):

- o **Effluent Reg** - reduction of effluents under the Fisheries Act,
- o **Dioxin and Furan Reg, Option A** - reduction of dioxin and furan emissions (AOX 2.5 Kg/tonne) under the Canadian Environmental Protection Act,
- o **Dioxin and Furan Reg, Option B** - reduction of dioxin and furan emissions (AOX 1.5 Kg/tonne at "minimum cost");
- o **Dioxin and Furan Reg, Option C** - reduction of dioxin and furan emissions (AOX 1.5 Kg/tonne at "medium cost");
- o **Dioxin and Furan Reg, Option D** - reduction of dioxin and furan emissions (AOX 1.5 Kg/tonne at "high cost");
- o **Dioxin and Furan Reg, Comp Option** - reduction of dioxin and furan emissions through a "composite" option.

The assumptions that specify the direct impacts of each of these cases follow. The full-economy effects of each of the cases is then reported in the Section Four.

In addition, we note there are uncertainties beyond those that follow from the essentially "technical" distinctions of the five cases outlined above. Accordingly, in the penultimate major section, we test the "sensitivity" of the Effluent Regulation Case to altered views about how the industry and its customers might react to additional costs, how exchange markets react, and for the provinces, whether an altered pattern of spatial effects is significant.

3.1 Sectoral Assumptions

It is assumed that changes in the regulations will cause the pulp and paper industry to increase ex ante investment over 1991-93 by the amounts indicated in the following tabulation.

Table 1
Ex Ante Additions to Investment,
Pulp and Paper Industry, 1991-93 Cumulated

	-millions of 1989 dollars-			-millions of nominal dollars-		
	Total,	of which		Total,	of which	
		Equipment	Structures		Equipment	Structures
Effluent Reg	2282.4	571.2	1710.9	2495.1	626.4	1868.7
D/F - Option A	576.6	227.1	340.5	620.9	248.9	372.0
D/F - Option B	695.1	278.1	417.0	760.3	304.8	455.4
D/F - Option C	926.7	370.8	556.2	1013.8	406.5	607.3
D/F - Option D	1615.4	646.2	969.3	1767.0	708.5	1058.5
D/F - Comp Option	1018.8	407.4	611.4	1114.4	446.9	667.6

For purposes of our study, we have assumed that one-third of these total amounts are spent in each of 1991-93.

These amounts would represent significant additions to the investment spending of the pulp and paper industry that should otherwise be carried out. Compared to our Base Case estimates, spending for the Effluent Regulations in 1991, would be equivalent to approximately 11 per cent of investment spending we otherwise anticipate. The largest case for controlling Dioxins and Furans (Option D) represents an additional 7.9 per cent and the smallest (Option A), represents an additional 2.8 per cent. In short, if both sets of regulations are implemented, then additions to industry investment should range between one-sixth and one-fifth of the investment that should otherwise be occurring. For some individual firms and plants, the scale of the impact will of course be much larger.

Changes to the capital stock of the industry will be undertaken both to change internal operations and to provide external additions to plant operations. These, in turn, may alter the operating expenses of the mills, where these changes reflect both changes to use of materials and labour. As well, current expenses of the mills will be altered by changes to capital consumption costs, the effect of this on the plant depending on how the tax system treats depreciation of this additional capital.

For purposes of this study, the Department has developed a schedule of changes to operating expenses as outlined in Table 2. We report these as of 1993 at the end of which all changes are assumed to have been completed. In

the first two years, the amounts are smaller, but proportional to the changes in capital stock that have been made.

Table 2
Ex Ante Changes to Operating Expenses
 Pulp and Paper Industry, as of 1993

	-millions of 1989 dollars-			-millions of nominal dollars-		
	Total,	of which	Labour	Total,	of which	Labour
		Materials			Materials	
Effluent Reg	210.5	203.7	6.8	244.7	236.8	7.9
D/F - Option A	0.0	0.0	0.0	0.0	0.0	0.0
D/F - Option B	105.1	105.1	0.0	122.2	122.2	0.0
D/F - Option C	10.4	10.4	0.0	12.1	12.1	0.0
D/F - Option D	-45.1	-45.1	0.0	-52.4	-52.4	0.0
D/F - Comp Option	1.2	1.2	0.0	1.4	1.4	0.0

As the table indicates, changes to reflect effluent regulations will affect the cost of operations most, and these will be concentrated principally in additions to cost of materials, principally in the cost of chemicals, electric power, transportations services, and additions to own-account expenses. (Appendix C provides details of each of these categories, as well as year-by-year changes.) For these effluent regulations (only), the Department also anticipates a 374 person-year addition to employment by 1993.

With the exception of Option B, operations costs to control emissions of furans and dioxins are not large. Option D produces an ex ante reduction in operations expenses, but this is achieved with the largest investment requirement.

In developing the simulations, we have altered model responses in three important areas: import sensitivity to the investment program, the relationship between producer capital and labour requirements, and export price elasticities for pulp, newsprint, and other paper products.

1. Import Sensitivity to Investment Program - As a general rule, additions to investment undertaken in the Canadian economy will be fulfilled principally by domestic suppliers, but direct requirements (as well as indirect inputs used by the domestic suppliers) will typically also create some additions to imports. For this study, the Department has assumed the requirements for investment materials and equipment are directly allocated between domestic and foreign suppliers in the following proportions.

Table 3
Allocation and Sourcing of Investment Structures and Equipment
by Domestic and Foreign Suppliers
(in per cent)

	-----Sourcing-----				Allocation, Structures/ Equipment
	Structures		Equipment		
	Domestic	Foreign	Domestic	Foreign	
Effluent Reg	100	0	90	10	75/25
D/F - Option A	100	0	100	0	60/40
D/F - Option B	100	0	100	0	60/40
D/F - Option C	100	0	60	40	60/40
D/F - Option D	100	0	50	50	60/40
D/F - Comp Option	100	0	75	25	60/40

Given these assumptions about sourcing, we have made adjustments to the impacts for selected import variables in TIM. Thus, the impact on imports of iron and steel, nonferrous metals, and nonmetallic mineral products has been adjusted down in all cases to reflect the assumption that investment in structures will be fully supplied by domestic producers. (In the absence of this adjustment, TIM would "import" some of the requirements.) Similarly, the impact on imports of industrial machinery has been adjusted down in Options A and B to reflect the assumption for these cases that equipment is also wholly supplied domestically. For the other three options to control furans and dioxins, however, we have increased the impact on imports of industrial machinery to reflect the sourcing assumptions outlined above. We note that these changes, in all cases, are comparatively modest, and can be regarded as second-order in their effect on the overall results.

2. Relationship between Producer Capital and Labour - In TIM, additions to the capital stock of the pulp and paper industry leads endogenously to some substitution of labour. Since the investment contemplated in this study is not part of the typically required capital to produce pulp and paper, we have broken this link. That is, additions to the capital stock related to effluent and/or dioxin and furan emissions does not alter employment in the industry. For the Effluent Regulation case, we have exogenously added the person-years indicated in Table 2 to the industry's employment.

3. Price Elasticities of Exports - For those cases where current expenses of the mills are increased through capital consumption allowances and altered operating expenses, we assume that the mills will attempt to pass this on to consumers in the form of higher prices. If they are successful in accomplishing this, and if those consumers are foreigners, then the negative effects of this method of financing the program for Canadian incomes is negligible. On the other hand, if export sales are highly sensitive to the

price change, the negative output and income effects will be borne by industry shareholders and employees, and other Canadians. Thus, the sensitivity of export volumes to additional costs and prices is a key determinant of results.

For this study, we have developed estimates of price elasticities for three principal export commodities produced by the pulp and paper industry using econometric estimates for the parameters, and current data. Details of these results are reported in Appendix D. Briefly, we assume the following elasticities (per cent change in export volume for each per cent change in export price) in each of the main cases reported later.

	United States	Rest-of-World
Pulp	-0.43	-0.47
Newsprint	-0.70	-0.71
Other Paper	-1.13	-0.92

Since this is an area of the investigation that can be arguably contested, we have developed alternative impacts predicated on the view that exports are price inelastic (i.e., foreigners accept the higher price fully) or are fully elastic (i.e., foreigners lower their volume of purchases by the full amount of the price increase). These are reported in Section Five of this report. For domestic consumption, TIM behaviour of end consumers and intermediate, using businesses is assumed to be a correct guide to effects.

3.2 Provincial

Tables 4 and 5, respectively, display the allocation of the investment expenditures for each of the cases, and indications of the provincial location and importance of the pulp and paper industry. Appendix C provides additional detail.

These suggest substantial differences in the pattern of direct impacts between the Effluent and Dioxin/Furan cases. Relative to the location of industry output, the need to take action on effluents is most pronounced in Atlantic Canada, Quebec, and British Columbia. The allocation of investment expenditures for effluent reduction in Ontario and the Prairies is less than the proportion of national pulp and paper production normally sourced in those provinces. In contrast, comparison of investment allocation to normal production suggests that action on dioxins and furans is most important in British Columbia and New Brunswick. Notice, however, that while these indications of a need for action suggest comparatively modest action for Ontario, about one-sixth of the investment expenditures will be accounted for by mills in that province.

Table 4
Distribution of Emission-Reduction Investment of the
Pulp and Paper Industry, by Province
(in per cent)

	Nfld	PEI	NS	NB	Que	Ont	Man	Sask	Alb	BC
Effluent Reg	4.0	0.0	3.8	5.9	43.9	15.4	1.2	0.3	0.3	25.3
D/F - Option A	0.0	0.0	2.0	9.2	20.0	14.9	0.0	1.4	2.4	50.0
D/F - Option B	0.0	0.0	1.3	9.3	18.3	15.2	0.0	1.2	2.6	50.0
D/F - Option C	0.0	0.0	1.0	7.2	17.9	16.7	0.0	0.9	3.5	52.9
D/F - Option D	0.0	0.0	0.6	5.6	18.4	16.8	0.0	0.5	3.8	54.4
D/F - Comp Option	0.0	0.0	0.9	6.5	20.7	17.4	0.0	0.8	3.2	50.5

Table 5
Selected Measures of Pulp and Paper Industry Importance in 1990
(in per cent)

	Nfld	PEI	NS	NB	Que	Ont	Man	Sask	Alb	BC
Share of Province in Industry 1990 Value-Added	2.3	0.0	3.1	5.0	36.9	26.0	1.2	0.7	2.4	22.4
Share of Industry in Provincial Total Output	1.8	0.0	1.3	2.7	1.7	0.7	0.3	0.2	0.2	2.0

Aggregate provincial economic effects of the emission reduction program will depend, in major part, on where the producers of the investment goods are located, and on where any unfavourable production effects are located. For purposes of this study, we have assumed that investment expenditures allocated to construction of structures is supplied by resources available in the province. Thus, impacts on the construction industry are assumed to be supplied by own-province construction firms and labour. In contrast, equipment is assumed to be supplied in proportions that reflect the Base Case allocation of supplying manufacturers. In effect, impacts on industrial machinery, metal fabricators, etc., tend to be concentrated in Central Canada, where most of these suppliers are located. Implicitly, this assumption is consistent with a view that the mills will purchase their required equipment from least cost suppliers, and that no "local preference" industrial strategy is imposed on their procurement.

How to provincially allocate any unfavourable effects on pulp and paper industry output that may follow from the increased price of offering pulp and paper products is more uncertain. The ability of mills to "absorb" additional costs will depend on the extent of the investment and operating costs relative to the size of the mill, the expected financial performance of the mill, the financial health of the firm in multi-mill cases, access to markets and timber, and other considerations. On the basis of several discussions with Department of Environment experts about this, we have predicated our aggregate results on the following provincial distribution of negative, national output effects for the main impact cases reported.

Table 6
Provincial Allocation of Effects on
Pulp and Paper Industry Output
(in per cent)

	Nfld	PEI	NS	NB	Que	Ont	Man	Sask	Alb	BC
Effluent	0.0	0.0	6.1	10.2	36.9	15.9	5.2	0.0	0.0	25.7
Dioxin/Furan	0.0	0.0	4.8	11.9	21.4	19.0	0.0	2.4	2.4	38.1

It should be noted that not all cases yield substantial negative effects on output. Moreover, in those cases where this occurs, a negative impact does not necessarily imply closure, or reduced scale of operations in an existing plant. Equally, negative effects would be consistent with a view of slowed growth of output in either particular mills (where use of financial resources for emission reduction expenditures limits further expansion of production facilities), or simply in the province.

This is an area of considerable uncertainty. Accordingly, Section Five reports the results of an alternative distribution assumption for the Effluent Regulation impact case.

3.3 Direct Economic Benefits

Reduction in emissions can be expected to potentially have both direct benefits to firms, where the reduction program yields a move to a more efficient production process or one that generates marketable by-products, and to the economy more generally. Benefits to firms are incorporated in this study through changes to operations' costs of the mills.

Direct benefits to the economy are not incorporated in this study although potentially, these could be significant. Likely, these should include benefits to commercial fisheries, and possibly to recreational services. These would follow from a more abundant, and commercially exploitable fish supply. As well, downstream demands on water treatment facilities of municipalities and businesses would presumably be reduced. "Life style" effects on location of new investment (in industries other than

the pulp and paper sector) could be affected as well. Finally, in degree as emissions affect human health, benefits could also follow from reduced expenditures in the health care system.

Such direct benefits are difficult to quantify although some information on effects to the fisheries, for example, exists. This cannot be translated into economic terms, however, and following discussion with the Department and others, it was decided that this study should exclude consideration of these effects.

3.4 Macroeconomic Mechanisms

The emission reduction program can be expected to alter the size of the country's current account and government balances, and demands on credit markets could arguably alter interest rates. Effects on output, inflation and the current account could alter the exchange rate of the Canadian dollar, thereby inducing yet another round of reactions in the economy. Changed government balances could arguably lead to altered tax rates and/or changes in the level and distribution of government expenditures. Changes in interest rates will of course, affect investment and other demands in the economy, and are crucially linked themselves to government balances and the exchange rate.

Changes in these variables could be sufficient to overwhelm the impacts of changing the structure of production in the economy. In the main impacts reported, we assume that these remain fixed to Base Case values, so that results mainly reflect the structural impacts. To sensitize the results to these considerations, however, Section Five reports the results of a simulation of the Effluent Regulation case in which the exchange rate responds endogenously to all other changes in the economy.

3.5 Unilateral Versus Continental Or Global Action

The results in this study are predicated on the view that Canada takes unilateral action to reduce emissions. Thus, implicitly, there is a loss of "competitiveness" for the industry, and for the economy as a whole, in most of the cases reported. This is obviously an unrealistic, simplifying assumption, since emission reduction programs are in place in the US, and at least among competing suppliers (of Canada) in Europe. Concerns about furans and dioxins are reported to be high among Scandinavian producers, for example. Our sense of the matter is that action on effluents has been more widespread in the US than in Canada to this point, indicating that for the Effluent Regulation case at least, there is some considerable realism in the simplifying assumption., since relative to the US, proportionately larger action appears to be required.

The quantified assumptions needed to assess the impacts in the context of Continental or global action are not available. We emphasize this qualification to the results, but note that in such cases the principal effect would be reflected in reduced elasticities for Canadian exports of industry products. The sensitivity to results of this is indicated in Section Five. Beyond this direct effect, however, it should be noted that extra-industry

direct implications would follow from continental or global action. In those cases where the net effect of action is to divert marketable resources from otherwise economically desirable uses to emission reduction, there is a loss of real income. Such effects in Canada are reflected in this study, but such effects outside Canada would diminish export prospects for a wide range of Canadian products and services.

In short, while Continental or Global action could significantly alter the sectoral and provincial impacts reported in this study, the effects on aggregate Canadian output, employment and incomes could arguably be little different from those reported in this study since one trades-off effects on the pulp and paper industry against those in other exporting sectors. 3/

3/ See C.A. Sonnen, The Environment-Economy Linkage: An Exploration of Issues and Impacts, Informetrica Limited, Ottawa, April 11, 1989, for a more complete discussion of this issue.

4 MACROECONOMIC RESULTS

4.1 NATIONAL IMPACTS

4.1.1 PULP AND PAPER INDUSTRY IMPACTS -

We measure the output of the pulp and paper industry as its value added, or equivalently, as the labour and capital resources needed to produce industry products. Output measured this way is then sensitive to the impact of the emission-reduction program on the demand for its products in foreign and domestic markets (given some impact on costs and prices), and the extent to which the industry uses real resources to produce its products. In turn, impacts on its demand in foreign markets at the margin are largely sensitive to changes in the Canadian costs of production and the extent to which this is passed on in the form of prices. In domestic markets, demand is again sensitive to industry prices, but also to the extent to which the emission reduction program affects incomes in the rest of the economy.

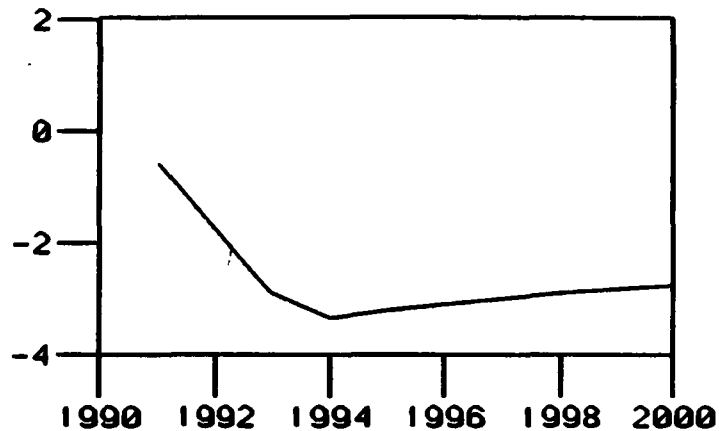
The graphics on the following page indicate the impact of each of the six reduction cases simulated, reporting these as per cent impacts on industry output, and changes in the number of person-years employed by the industry. Appendix E provides detailed results for the industry and economy as a whole.

Our results suggest that output of the pulp and paper industry will be unfavourably affected, from the beginning, by a program to reduce effluent emissions. The magnitude of this, up to three per cent in the long run, will however, be insufficient in scale to reduce the size of the industry's output to less than that of 1990. In fact, were output of the industry to otherwise grow by one per cent annually, the negative impacts of the emission reduction program, by itself, would not be large enough to diminish the size of industry output in any year as compared to the previous year. Thus, while the impact is unfavourable, it should be characterized as a constraint on the growth of the industry rather than as likely to downsize the industry.

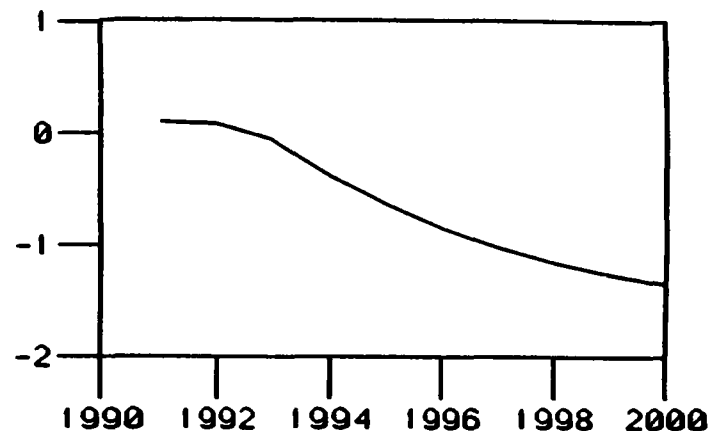
In contrast, results of the alternative approaches to reducing emissions of furans and dioxins yield a much more mixed picture, ranging from notable decreases in output for Option B to increased output in the case of Option D. The other three options do little to alter the size of the industry's output. In all cases, the scale of the impact is smaller than the impact of regulations to reduce effluent emissions.

Impacts on industry employment basically mirror the impacts on output. Effluent regulations, and Option B to reduce emissions of furans and dioxins, should in the long run reduce industry employment by in the range of 1,000. The somewhat smaller impact on employment of the effluent regulations reflects the assumption that 374 person-years of employment will be added to operate the emission reduction equipment; thus, the loss of jobs to traditional production workers would be somewhat larger than is indicated by a long-run job loss of 1,000 for the industry as a whole. In the event that Option D is implemented, increased output in the industry would be reflected in increased employment. For the other three cases, employment impacts are negligible.

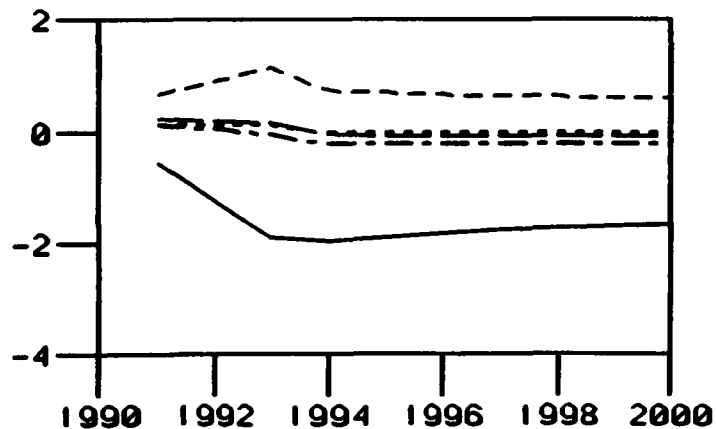
EFFLUENT CASE
INDUSTRY OUTPUT
(% CHANGE)



EFFLUENT CASE
INDUSTRY EMPLOYMENT
(000 P-Y)

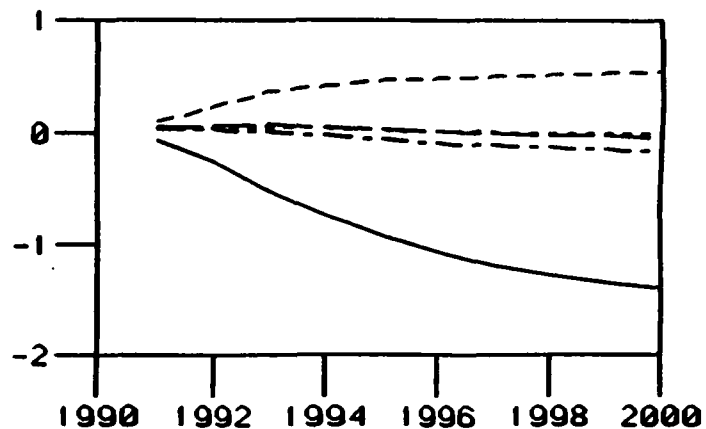


DIOXIN/FURAN CASES
INDUSTRY OUTPUT
(% CHANGE)



--- A — B -.- C
-.- D — COMP

DIOXIN/FURAN CASES
INDUSTRY EMPLOYMENT
(000 P-Y)



--- A — B -.- C
-.- D — COMP

As is likely true for output, those cases yielding negative impacts on employment should be interpreted as cases that slow the growth of employment that otherwise should be occurring as contrasted to an interpretation of "lost jobs" currently held. (Of course, it is always possible that some plant, or production line may close. In this event, there would be "visible" lost jobs.) But our overall sense of the industry-wide picture is one in which the growth of employment opportunities is diminished somewhat rather than one of widespread job losses.

The impacts on output and employment follow in substantial measure from the impact of changed capital and operating costs on industry prices, and in turn, from these effects on the volume of industry exports. Table 7 provides a synopsis of effects on industry prices and export volumes for selected years.

As this table details, price impacts grow to peak in 1993 as the investment program and changed operating costs are phased in over time. As a general rule, they decrease slightly from the peak over the longer term since the size of the "program", which is fixed in real terms, decreases relative to a growing Base Case industry.

In any event, the price impacts are largest in the case of the Effluent regulations, with industry prices and export prices increased by close to 2 per cent. Slightly smaller impacts on export prices reflect the fact that these include value-added inputs from transportation services, wholesaling and warehousing, etc., which are not directly affected by the emission reduction program. Given the export elasticities outlined in Section Three, export volumes are reduced by from a little less than to a little more than one per cent. Notice that although producers of "Other Paper" export products are not necessarily directly affected by the emission reduction program, their export prices are increased since the producers directly affected supply a key material input to the manufacture of other paper products. Comparatively large negative effects on their export volumes reflect their relatively high price elasticities.

Among the programs designed to reduce emissions of furans and dioxins, the A, C and Composite options can be characterized as having only negligible effects on industry and export prices, and therefore, on export volumes. The "B" Option, however, does increase prices significantly, notably through its additions to operating costs. Thus, export volumes are reduced somewhat. In contrast, Option D reduces operating expenses, yielding a small reduction in prices, and consequently a small positive effect on export volumes.

It should be noted that price impacts reported for the pulp and paper industry also reflect feedbacks from the general economy to the industry. As a general statement, cyclical benefits to aggregate productivity initially are reflected in reduced costs of material inputs to the industry during the main investment phase (e.g., over 1991-93). Thus, even where additional operating costs are being borne by the industry, during the early years, there are some partial offsets through reduced costs of materials. In the longer term, however, increased prices of paper products are transmitted through to other producers, and in most cases (except Option D), this is reflected in higher material input costs to the industry that reinforce the increase in direct operating expenses and for capital consumption.

Table 7
Impact on Pulp and Paper Industry Prices and Export Volumes
(per cent impact)

	1991	1992	1993	1994	1997	2000
Effluent						
Factory Gate Price	0.79	1.57	2.40	2.46	2.38	2.20
Pulp Export Price	0.63	1.23	1.87	1.89	1.80	1.65
Newsprint Export Price	0.56	1.11	1.69	1.71	1.63	1.51
Other Paper Export Price	0.64	1.25	1.91	1.93	1.84	1.69
Pulp Exports, \$K	-0.26	-0.51	-0.78	-0.79	-0.77	-0.71
Newsprint Exports, \$K	-0.36	-0.72	-1.09	-1.11	-1.08	-1.01
Other Paper Exports, \$K	-0.22	-0.96	-1.59	-1.98	-1.72	-1.54
Dioxin/Furan						
Option A						
Factory Gate Price	0.00	-0.02	-0.01	0.03	0.09	0.09
Pulp Export Price	0.00	-0.02	0.00	0.02	0.07	0.07
Newsprint Export Price	0.00	-0.01	0.00	0.02	0.07	0.06
Other Paper Export Price	0.00	-0.02	0.00	0.02	0.07	0.07
Pulp Exports, \$K	0.00	0.01	0.00	-0.01	-0.03	-0.03
Newsprint Exports, \$K	0.00	0.01	0.00	-0.01	-0.04	-0.04
Other Paper Exports, \$K	0.00	0.02	0.00	-0.02	-0.07	-0.07
Option B						
Factory Gate Price	0.47	0.90	1.33	1.30	1.22	1.13
Pulp Export Price	0.36	0.69	1.02	0.99	0.92	0.85
Newsprint Export Price	0.33	0.62	0.92	0.90	0.83	0.78
Other Paper Export Price	0.37	0.71	1.05	1.02	0.94	0.87
Pulp Exports, \$K	-0.15	-0.29	-0.43	-0.42	-0.39	-0.37
Newsprint Exports, \$K	-0.21	-0.40	-0.60	-0.59	-0.55	-0.52
Other Paper Exports, \$K	-0.37	-0.70	-1.03	-1.01	-0.94	-0.88
Option C						
Factory Gate Price	0.03	0.06	0.13	0.19	0.26	0.24
Pulp Export Price	0.02	0.05	0.10	0.15	0.20	0.18
Newsprint Export Price	0.02	0.04	0.09	0.13	0.18	0.16
Other Paper Export Price	0.02	0.05	0.10	0.15	0.20	0.18
Pulp Exports, \$K	-0.01	-0.02	-0.04	-0.06	-0.08	-0.08
Newsprint Exports, \$K	-0.01	-0.03	-0.06	-0.09	-0.12	-0.11
Other Paper Exports, \$K	-0.02	-0.05	-0.10	-0.15	-0.20	-0.19
Option D						
Factory Gate Price	-0.24	-0.44	-0.54	-0.39	-0.19	-0.19
Pulp Export Price	-0.18	-0.34	-0.42	-0.30	-0.14	-0.14
Newsprint Export Price	-0.16	-0.30	-0.38	-0.27	-0.13	-0.13
Other Paper Export Price	-0.19	-0.34	-0.43	-0.31	-0.15	-0.15
Pulp Exports, \$K	0.08	0.14	0.18	0.12	0.09	0.09
Newsprint Exports, \$K	0.11	0.20	0.25	0.18	0.09	0.09
Other Paper Exports, \$K	0.18	0.34	0.42	0.31	0.15	0.15
Composite Option						
Factory Gate Price	-0.01	-0.02	0.01	0.08	0.18	0.16
Pulp Export Price	-0.01	-0.02	0.01	0.06	0.14	0.12
Newsprint Export Price	-0.01	-0.02	0.01	0.06	0.12	0.11
Other Paper Export Price	-0.01	-0.02	0.01	0.06	0.14	0.13
Pulp Exports, \$K	0.00	0.01	0.00	-0.03	-0.06	-0.05
Newsprint Exports, \$K	0.00	0.01	-0.01	-0.04	-0.08	-0.08
Other Paper Exports, \$K	0.00	0.02	-0.01	-0.06	-0.14	-0.13

Impacts on the rest of the Canadian economy are also reflected in sales to other than the export market. While we do not measure the direct impact on sales, these effects are indicated by changes to consumer purchases that include substantial purchases of "paper", or by the effect on the activity of industries that are comparatively important domestic customers of the paper industry. These effects are indicated in Table 8.

Again, the A, C, and Composite options for reducing dioxins and furans have essentially negligible effects. For the Effluent and Option B cases, however, increased pulp and paper prices, once transmitted through to the rest of the economy, and to household incomes, reduce both consumer demand for paper products, and the activity of key paper-using industries. The negative effects on consumer demand emerge from the outset, reflecting the comparatively high price elasticity of nondurable household goods. Impacts on demand from purchasing industries, however, may well be positive initially. While they also face higher prices, the pro-growth effects of the investment in 1991-93 tend to dominate. In the longer run, prospects for these sources of demand are also reduced.

The D Option to reducing emissions of furans and dioxins would tend to slightly promote the growth of consumer demand for paper products, and again promote demand from industry initially. Longer term, the case reports slight negative effects on the activity of the key industry users. Combined, the consumer and industry effects could be judged to be negligible over the longer term.

4.1.2 Impacts On Major Indicators Of General Economic Activity -

As was outlined earlier, effects on the pulp and paper industry are transmitted through to the rest of the economy indirectly, since the industry requires investment goods and material inputs from other producers, and through induced effects since the industry supplies paper to the rest of the economy, and affects, through wages and profits, income available to households, business and governments.

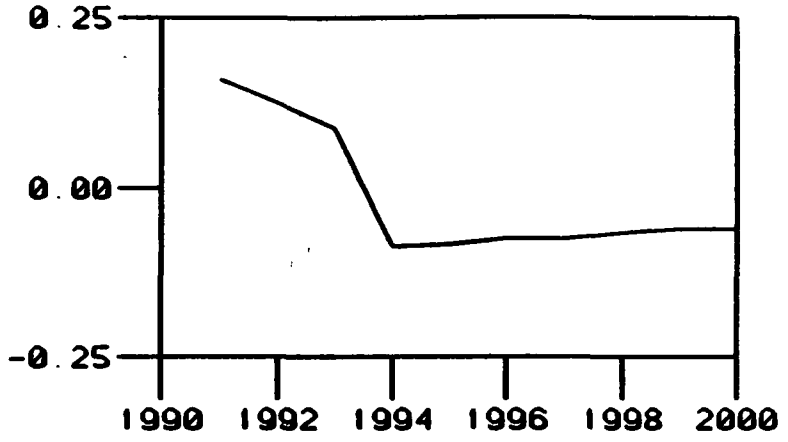
The following graphics indicate the implications for total, real GNP of the economy, and total employment. Again, Appendix E provides details. The basic messages are simple. Investment in emission reduction structures and equipment should initially increase the size of the economy, but in the long term, is likely to diminish prospects. But the size of these effects for the economy as a whole will be very small. Combining the impact of Effluent Regulations with the most favourable option ("D") for reducing dioxins and furans would initially increase the size of the Canadian economy by about 0.25 per cent in 1991, and would reduce the size of the economy over the long term (1997) by only about 0.1 per cent. Combining impacts of Effluent Regulations with the most industry-unfavourable inimical option for reducing furans and dioxins ("B") would initially increase the size of the economy by about 0.2 per cent and in the long term, reduce it by 0.1 per cent.

Table 8
Impact on Domestic Markets of the Pulp and Paper Industry
 (per cent impact)

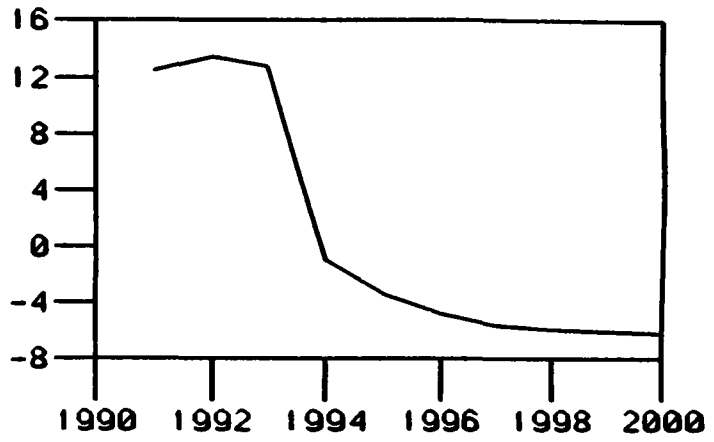
	1991	1992	1993	1994	1997	2000
Effluent						
Consumer Purchases of Non-durable Household Goods	-0.09	-0.26	-0.48	-0.62	-0.65	-0.55
Real GDP in the following:						
Food Processing	0.12	0.06	0.00	-0.14	-0.05	-0.04
Tobacco Manufacture	0.14	-0.01	-0.11	-0.35	-0.14	-0.18
Printing and Publishing	0.14	0.06	-0.03	-0.21	-0.15	-0.15
Dioxin/Furan						
Option A						
Consumer Purchases of Non-durable Household Goods	0.01	0.02	0.02	0.00	-0.03	-0.02
Real GDP in the following:						
Food Processing	0.04	0.03	0.02	-0.02	-0.01	-0.01
Tobacco Manufacture	0.05	0.01	0.00	-0.07	-0.03	-0.04
Printing and Publishing	0.05	0.03	0.02	-0.03	-0.01	-0.02
Option B						
Consumer Purchases of Non-durable Household Goods	-0.06	-0.16	-0.28	-0.33	-0.33	-0.28
Real GDP in the following:						
Food Processing	0.04	0.01	0.00	-0.05	-0.01	-0.01
Tobacco Manufacture	0.05	-0.01	-0.05	-0.12	-0.05	-0.07
Printing and Publishing	0.05	0.01	-0.02	-0.08	-0.05	-0.05
Option C						
Consumer Purchases of Non-durable Household Goods	0.01	0.01	0.00	-0.04	-0.07	-0.06
Real GDP in the following:						
Food Processing	0.05	0.03	0.02	-0.04	-0.02	-0.01
Tobacco Manufacture	0.07	0.02	-0.01	-0.11	-0.05	-0.07
Printing and Publishing	0.05	0.03	0.01	-0.04	-0.03	-0.03
Option D						
Consumer Purchases of Non-durable Household Goods	0.07	0.13	0.17	0.13	0.05	0.05
Real GDP in the following:						
Food Processing	0.09	0.06	0.04	-0.06	-0.03	-0.01
Tobacco Manufacture	0.12	0.04	0.00	-0.16	-0.08	-0.10
Printing and Publishing	0.09	0.06	0.05	-0.05	-0.03	-0.03
Composite Option						
Consumer Purchases of Non-durable Household Goods	0.02	0.03	0.03	0.00	-0.05	-0.04
Real GDP in the following:						
Food Processing	0.06	0.04	0.03	-0.04	-0.02	-0.01
Tobacco Manufacture	0.08	0.02	-0.01	-0.12	-0.06	-0.07
Printing and Publishing	0.07	0.05	0.03	-0.05	-0.03	-0.03



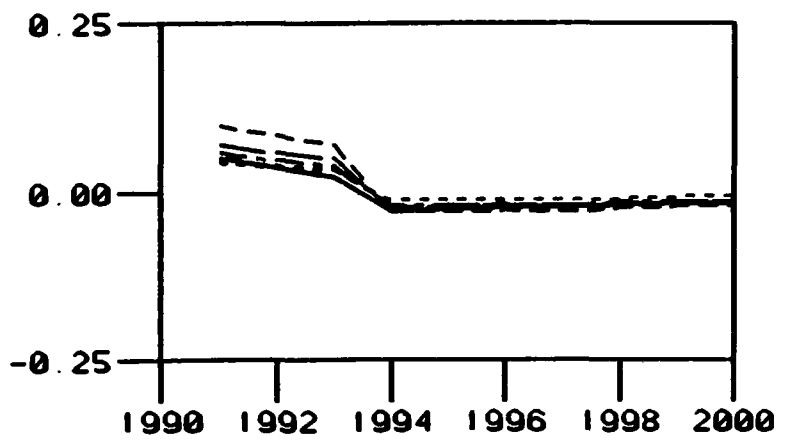
EFFLUENT CASE
TOTAL OUTPUT
(% CHANGE)



EFFLUENT CASE
TOTAL EMPLOYMENT
(000 P-Y)

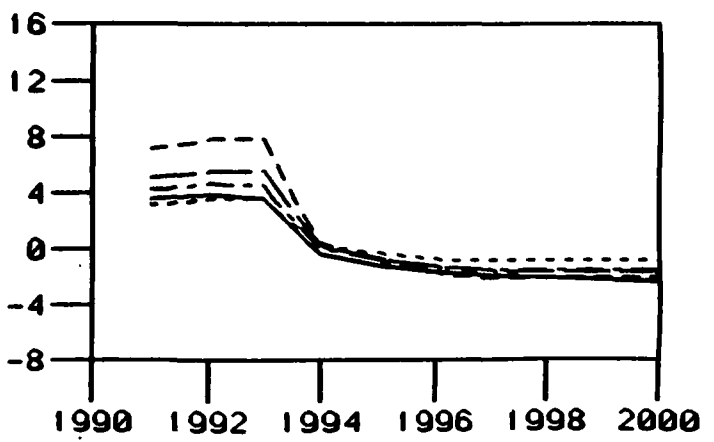


DIOXIN/FURAN CASES
TOTAL OUTPUT
(% CHANGE)



--- A — B - - - C
 - - - D — COMP

DIOXIN/FURAN CASES
TOTAL EMPLOYMENT
(000 P-Y)



--- A — B - - - C
 - - - D — COMP

The key transmission mechanisms, and indicators of major importance are reported in Table 9. As this indicates, the principal initial impact on demand in the economy is in business investment, reflecting principally the investment in emission reduction facilities in 1991-93. Post that period, impacts on business investment are generally negative, but negligible.

During the investment phase, direct benefits for the construction sector, and indirectly among suppliers of equipment and the economy more generally, lead to increased wage income, and ultimately, real disposable income. Although some of this incremental increase in household income would be channelled to savings, much would be allocated to increased consumption. Thus, during the investment phase, all impact cases report improved real incomes and increased consumption. Post the investment phase, reduced activity in the pulp and paper sector dominates total-economy effects, and incomes and consumption are reduced as compared to the Base Case. As well, increased current account deficits developed during the investment phase when imports are increased, act as a drag on later incomes as foreign savers are repaid. This is sufficient in the Option D case to offset the positive effects of the case on output of the pulp and paper industry.

Government balances, at both the federal and other-government levels, benefit during the investment phase, reflecting the positive effects of this on total economic activity. Later, this has the effect of reducing interest costs of governments, but in general, reduced economic activity is sufficient in most cases to yield very small negative effects on government balances during later years. The burden of this falls mainly on non-federal governments whose balances are sensitive to increased unemployment during those later years. As current financing of the unemployment insurance fund is now principally accomplished by employees and employers, there is little effect from unemployment on federal balances.

Finally, it should be noted that all cases indicate small positive effects on the general price level in the long run. The magnitude of the impact, as measured by the Consumer Price Index, is very small, however. In short, the inflationary effect of emission reduction would be largely undetectable at the general consumer level, although paper-specific indexes might easily reflect effects.

Table 9
Impact on Key Major Indicators of Economic Performance
(per cent impact)

	1991	1992	1993	1994	1997	2000
Effluent						
Real Disposable Income	0.06	0.05	0.03	-0.04	-0.05	-0.03
Personal Consumption	0.04	0.04	0.02	-0.03	-0.05	-0.03
Nonresidential Investment	0.80	0.86	0.85	0.10	-0.12	-0.02
Net Exports (\$71 Mns)	-70	-88	-107	-57	-60	-91
Consumer Price Index	0.00	0.00	0.03	0.06	0.11	0.11
Gov't Balances (\$C Mns)	474	484	484	-35	-78	-112
Current Account (\$C Mns)	-199	-191	-157	103	153	7
Dioxin/Furan						
Option A						
Real Disposable Income	0.02	0.02	0.02	0.00	-0.01	0.00
Personal Consumption	0.01	0.01	0.01	0.00	-0.01	0.00
Nonresidential Investment	0.20	0.21	0.21	0.02	-0.03	0.00
Net Exports (\$71 Mns)	-15	-17	-18	-6	-5	-14
Consumer Price Index	0.00	-0.01	-0.01	0.00	0.02	0.02
Gov't Balances (\$C Mns)	119	118	120	-9	-21	-23
Current Account (\$C Mns)	-62	-78	-85	-20	1	-44
Option B						
Real Disposable Income	0.02	0.01	0.00	-0.02	-0.02	-0.01
Personal Consumption	0.01	0.01	0.00	-0.01	-0.02	-0.01
Nonresidential Investment	0.24	0.27	0.28	0.06	-0.02	0.01
Net Exports (\$71 Mns)	-23	-32	-41	-27	-24	-31
Consumer Price Index	0.00	0.01	0.02	0.03	0.04	0.05
Gov't Balances (\$C Mns)	154	155	164	0	-8	-14
Current Account (\$C Mns)	-41	-28	-7	62	96	72
Option C						
Real Disposable Income	0.02	0.02	0.02	-0.01	-0.01	-0.01
Personal Consumption	0.01	0.02	0.01	0.00	-0.01	-0.01
Nonresidential Investment	0.32	0.34	0.33	0.03	-0.04	0.00
Net Exports (\$71 Mns)	-36	-40	-44	-12	-14	-24
Consumer Price Index	0.00	-0.01	0.00	0.01	0.03	0.03
Gov't Balances (\$C Mns)	157	149	147	-29	-45	-53
Current Account (\$C Mns)	-150	-173	-184	-23	-7	-67
Option D						
Real Disposable Income	0.04	0.04	0.03	-0.01	-0.02	-0.01
Personal Consumption	0.03	0.03	0.03	0.00	-0.01	-0.01
Nonresidential Investment	0.55	0.57	0.55	0.03	-0.08	-0.01
Net Exports (\$71 Mns)	-65	-69	-72	-10	-15	-34
Consumer Price Index	-0.01	-0.02	-0.02	0.00	0.03	0.03
Gov't Balances (\$C Mns)	253	234	224	-64	-94	-109
Current Account (\$C Mns)	-305	-364	-402	-91	-77	-193
Composite Option						
Real Disposable Income	0.03	0.03	0.02	-0.01	-0.01	-0.01
Personal Consumption	0.02	0.02	0.02	0.00	-0.01	-0.01
Nonresidential Investment	0.35	0.37	0.36	0.03	-0.05	-0.01
Net Exports (\$71 Mns)	-34	-39	-42	-11	-12	-25
Consumer Price Index	-0.01	-0.01	-0.01	0.01	0.03	0.03
Gov't Balances (\$C Mns)	188	181	180	-27	-46	-53
Current Account (\$C Mns)	-147	-175	-190	-35	-10	-83

4.1.3 Sectoral Output And Employment Impacts -

Implications for various sectors of the economy are indicated in Table 10; Appendix E provides greater detail.

The implications for sectors of an emission reduction program are sensitive to the nature of the program (suppliers of investment goods and services are most benefited during the investment phase as are suppliers to the operations of the mills), and to the extent to which general demand effects (reflecting price and income elasticities) have industry-specific implications. Since aggregate effects on real economic activity are small, impacts for most industries are insignificant. There are some exceptions, but as Table 10 indicates, the impacts in these cases are still small.

During the investment phase, output of durables manufacturers (the sources of machinery, vessels, concrete, piping, etc.) and of construction (the sector building new structures, laying piping, etc.) would be most significantly affected. Even so, in the largest impact case (Effluent Regulations), the change in output would still be less than one per cent in these sectors. Notice, however, that durables manufacturers tend to be relatively price and income sensitive, so cases that include a substantial increase in general operating costs for the economy (the Effluent Regulation and Option B cases) also reflect an especially diminished output of this sector over the longer term. In such cases, the fisheries, for price elasticity reasons, and forestry, as a supplier to the pulp and paper industry, are also negatively affected by notable amounts. Results for non-durables manufacturing are dominated by the effects on the pulp and paper industry, which is a component of this sector.

For the most part, services industries are little affected, with prospects increased during the investment phase and diminished during later years when the pulp and paper industry output is reduced, and increased costs of production have been transmitted through to the rest of the economy. Still, the size of those reductions for privately produced services is close to negligible (-0.02 per cent). Education, health and government services should not be affected in any meaningful way.

Table 11 provides indications of employment effects, measured in thousands of person-years. The proportionate effects, both in terms of the total, and distribution between sectors, roughly parallel the effects on output. In this sense, the "significance" of the impact for output and employment is essentially the same.

As the table details, investment associated with the regulations yields positive effects in all instances for 1991-93, with widespread positive effects across all sectors, except for the pulp and paper industry where options begin early to yield increases in current expenses. The main sectoral beneficiaries, in employment terms, are the manufacturing and construction sectors during these early years. Longer term, all cases suggest small negative effects on employment; again, this is widespread across sectors.

Table 10
Impact on Output of Major Producing Sectors
(per cent impact)

	1991	1992	1993	1994	1997	2000
Effluent						
Goods Producers, of which:	0.26	0.14	0.04	-0.27	-0.19	-0.18
Durables Manufactures	0.44	0.32	0.26	-0.16	-0.10	-0.09
Nondurables Manufactures	0.12	-0.06	-0.24	-0.49	-0.40	-0.37
Services	0.12	0.12	0.10	-0.01	-0.03	-0.02
Private, of which:	0.15	0.15	0.13	-0.02	-0.04	-0.02
Construction	0.63	0.65	0.64	0.03	-0.08	-0.02
Public	0.00	0.00	0.00	0.00	0.00	0.00
Dioxin/Furan						
Option A						
Goods Producers, of which:	0.09	0.07	0.05	-0.03	-0.02	-0.02
Durables Manufactures	0.13	0.09	0.08	-0.04	-0.02	-0.02
Nondurables Manufactures	0.06	0.05	0.04	-0.03	-0.02	-0.02
Services	0.03	0.03	0.03	0.00	-0.01	0.00
Private, of which:	0.04	0.03	0.03	0.00	-0.01	-0.01
Construction	0.13	0.13	0.13	0.01	-0.02	0.00
Public	0.00	0.00	0.00	0.00	0.00	0.00
Option B						
Goods Producers, of which:	0.09	0.03	0.00	-0.10	-0.07	-0.07
Durables Manufactures	0.16	0.11	0.10	-0.05	-0.03	-0.02
Nondurables Manufactures	0.02	-0.06	-0.13	-0.20	-0.16	-0.15
Services	0.03	0.03	0.03	0.00	-0.01	-0.01
Private, of which:	0.04	0.04	0.04	-0.01	-0.01	-0.01
Construction	0.16	0.17	0.17	0.01	-0.02	0.00
Public	0.00	0.00	0.00	0.00	0.00	0.00
Option C						
Goods Producers, of which:	0.10	0.07	0.05	-0.05	-0.03	-0.03
Durables Manufactures	0.14	0.09	0.07	-0.06	-0.03	-0.03
Nondurables Manufactures	0.08	0.06	0.03	-0.06	-0.04	-0.04
Services	0.04	0.04	0.04	-0.01	-0.01	-0.01
Private, of which:	0.05	0.05	0.04	-0.01	-0.01	-0.01
Construction	0.20	0.21	0.21	0.01	-0.03	-0.01
Public	0.00	0.00	0.00	0.00	0.00	0.00
Option D						
Goods Producers, of which:	0.17	0.13	0.11	-0.06	-0.03	-0.02
Durables Manufactures	0.22	0.13	0.10	-0.10	-0.05	-0.04
Nondurables Manufactures	0.17	0.17	0.16	0.00	0.01	0.01
Services	0.07	0.07	0.06	-0.01	-0.02	-0.01
Private, of which:	0.09	0.08	0.07	-0.01	-0.02	-0.01
Construction	0.35	0.36	0.35	0.01	-0.05	-0.01
Public	0.00	0.00	0.00	0.00	0.00	0.00
Composite Option						
Goods Producers, of which:	0.13	0.09	0.07	-0.06	-0.03	-0.03
Durables Manufactures	0.18	0.13	0.10	-0.07	-0.03	-0.03
Nondurables Manufactures	0.10	0.08	0.06	-0.05	-0.03	-0.03
Services	0.05	0.05	0.04	-0.01	-0.01	-0.01
Private, of which:	0.06	0.06	0.05	-0.01	-0.02	-0.01
Construction	0.23	0.23	0.23	0.01	-0.03	-0.01
Public	0.00	0.00	0.00	0.00	0.00	0.00

Table 11
Impact on Employment of Selected Producing Sectors
(thousands of person years)

	1991	1992	1993	1994	1997	2000
Effluent						
Total	12.39	13.39	12.77	-0.94	-5.68	-6.12
Manufacturing, of which:	3.47	3.63	3.18	-1.21	-2.71	-2.82
Pulp and Paper	0.10	0.10	-0.10	-0.40	-1.00	-1.40
Construction	4.36	4.78	5.06	0.77	-0.27	-0.55
Other	4.55	4.98	4.53	-0.50	-2.70	-2.79
Dioxin/Furan						
Option A						
Total	3.13	3.49	3.54	0.27	-0.88	-0.93
Manufacturing, of which:	1.00	1.08	1.04	-0.10	-0.39	-0.34
Pulp and Paper	0	0	0	0	0	0
Construction	0.88	0.97	1.02	0.16	-0.80	-0.13
Other	1.25	1.44	1.48	0.21	-0.41	-0.46
Option B						
Total	3.58	3.77	3.59	-0.51	-2.03	-2.31
Manufacturing, of which:	1.07	1.09	0.97	-0.50	-1.13	-1.29
Pulp and Paper	-0.10	-0.30	-0.50	-0.80	-1.20	-1.40
Construction	1.10	1.24	1.32	0.26	-0.02	-0.09
Other	1.41	1.44	1.30	-0.27	-0.88	-0.93
Option C						
Total	4.21	4.56	4.52	0.04	-1.50	-1.56
Manufacturing, of which:	1.15	1.17	1.07	-0.30	-0.67	-0.61
Pulp and Paper	0	0	0	0	-0.10	-0.20
Construction	1.41	1.54	1.63	0.25	-0.10	-0.18
Other	1.65	1.85	1.82	0.09	-0.73	-0.77
Option D						
Total	7.10	7.75	7.78	0.39	-2.07	-2.01
Manufacturing, of which:	1.90	1.93	1.78	-0.36	-0.77	-0.54
Pulp and Paper	0.10	0.20	0.40	0.40	0.50	0.50
Construction	2.42	2.64	2.79	0.39	-0.21	-0.35
Other	2.78	3.18	3.21	0.36	-1.09	-1.12
Composite Option						
Total	5.01	5.50	5.52	0.25	-1.57	-1.63
Manufacturing, of which:	1.47	1.54	1.45	-0.25	-0.69	-0.60
Pulp and Paper	0	0.10	0.10	0	0	0
Construction	1.56	1.71	1.81	0.27	-0.13	-0.21
Other	1.98	2.25	2.26	0.23	-0.75	-0.82

4.2 PROVINCIAL IMPACTS

The dominant influences acting on the provincial distribution of impacts includes:

- o the extent to which construction activity is triggered in a province during the years when the pulp and paper mills are investing in the emission reduction facilities, and the extent to which this carries weight in total provincial output, and
- o the extent to which output of the mills in the province are affected adversely or positively over the longer term.

Tables 4 and 6 presented earlier in this report, indicate the provincial distribution of these direct effects.

In addition, provinces that are typically dominant as suppliers of machinery and other equipment, and their suppliers, will be especially affected during the investment phase. For the most part, this represents a positive effect for Quebec and Ontario, although supply benefits do extend beyond these two provinces indirectly back through the value added chain to producers of iron ore, coal, wood products, etc.

Table 12 provides an indication of the implications of the investment in structures to provincial construction activity. Effects reported in the table include impacts on investment in structures by all industries in the province, but results are dominated by effects on the pulp and paper mills. The tabulation reports impacts in 1992, by which time the investment impacts are acting with full force, and operations effects are just beginning, and 1997, when the main impacts are derived from impacts on operations of the mills. Appendix F provides detailed information on these, and other results.

As the table indicates, investment required to meet new Effluent Regulations would have a proportionately large and notable effect on construction activity in Newfoundland, Nova Scotia, New Brunswick, Quebec, and British Columbia. The amounts added in Ontario exceed those of all provinces except for Quebec and British Columbia, but the importance of this investment in Ontario's economy will be small. These effects last through 1993, after which the impact on investment of the pulp and paper mills is reduced to negligible amounts, and effects reported reflect impacts on all other industries induced by general economic effects.

The distribution of investment impacts associated with the regulation of dioxins and furans differs from that associated with regulation of effluents. In these second set of regulations, the impacts will be most pronounced in New Brunswick and British Columbia.

The magnitude of these effects, when taken in combination, suggests that strains on the capacity of the local construction sector would likely be most pronounced in New Brunswick and British Columbia, where investment in structures associated with Effluent Regulations and any of the large-investment options for regulating emissions of dioxins and furans would, together, add 6-8 per cent to requirements on construction normally posed by business in the province. Thus, careful attention to planning for the additions is likely especially warranted in at least these two provinces.

Preparations associated with the supply of equipment and fabricated materials should focus on the enterprises likely to supply them.

Table 12
Impact on Nonresidential Construction of Provinces
(per cent impact)

	Eff Regs		Option A		Option B		Option C		Option D		Comp Option	
	'92	'97	'92	'97	'92	'97	'92	'97	'92	'97	'92	'97
Nfld	2.65	.06	.22	-.01	.32	.05	.36	-.01	.62	-.05	.40	-.01
PEI	-.18	-.08	-.05	-.02	-.05	-.01	-.07	-.03	-.13	-.04	-.08	-.03
NS	2.59	-.29	.38	-.02	.34	-.09	.45	-.04	.66	-.03	.48	-.04
NB	4.36	-.81	1.27	-.06	1.34	-.49	1.75	-.13	2.64	.02	1.82	-.10
Que	2.46	-.19	.26	-.03	.34	.00	.37	-.04	.67	-.10	.46	-.05
Ont	.16	-.09	.03	-.03	.07	.00	.04	-.04	.11	-.11	.06	-.05
Man	.30	-.14	-.01	-.01	.02	.00	-.01	-.02	-.02	-.05	-.01	-.02
Sask	-.05	-.05	.05	-.02	.04	-.04	.03	-.03	-.03	-.03	.02	-.03
Alb	-.34	.03	-.05	-.01	-.03	.03	-.06	-.02	-.11	-.06	-.08	-.02
BC	3.81	-.28	1.39	-.06	1.56	-.18	2.38	-.10	4.27	-.12	2.51	-.10

Table 13 indicates the impacts on output of the pulp and paper mills across the provinces, and reflects the distribution assumptions detailed earlier in Table 6. As this table suggests, and given these uncertain assumptions about distributional effects, the impact of effluent regulations on production are likely to be most severe, from the perspective of provincial authorities with responsibility for the "forestry sector", in Nova Scotia, New Brunswick and Manitoba. Impacts in Quebec, Ontario and British Columbia would be "visible", but not especially large in the context of likely growth in the industry.

Regulation of dioxins and furans through the alternative A, C, or Composite Options would likely have little affect on industry output in any province. But Option B suggests notable implications again in Nova Scotia and New Brunswick, but also in British Columbia and several other provinces. The impact reported in Saskatchewan is proportionately large, but small in absolute terms. Option D suggests an uneven distribution of positive effects that are symmetric to those of Option B. That is, the benefits of efficiency gains associated with this option have been allocated to those provinces where this would likely have greatest influence.

Combining the influence of the two sets of regulations, these results suggest that the provincial impacts on industry output are likely to be most visible in Nova Scotia, New Brunswick and British Columbia. In short, provincial authorities, and others with a "provincial" perspective on the forestry sector, would likely be most concerned in the three provinces. Use of the D option to regulate dioxins and furans would modify this picture somewhat. Impacts in Quebec and Ontario will be notable, but modest in the context of their relatively large industries.

Table 13
Impact on Output of the Pulp and Paper Industry, by Province
(per cent impact)

	Eff Regs		Option A		Option B		Option C		Option D		Comp Option	
	'92	'97	'92	'97	'92	'97	'92	'97	'92	'97	'92	'97
Nfld	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.0	0.9	0.0	0.2	0.0
PEI	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
NS	-3.6	-6.2	0.1	-0.1	-2.0	-2.9	0.0	-0.4	0.9	1.0	0.2	-0.1
NB	-3.7	-6.5	0.1	-0.1	-3.1	-4.5	0.0	-0.6	0.9	1.6	0.2	-0.2
Que	-1.8	-3.0	0.1	0.0	-0.7	-1.0	0.0	-0.1	0.9	0.4	0.2	-0.0
Ont	-1.1	-1.8	0.1	0.0	-0.9	-1.3	0.0	-0.2	0.9	0.5	0.2	-0.1
Man	-1.8	-13.5	0.1	0.0	0.0	0.0	0.0	0.0	0.9	0.0	0.2	0.0
Sask	0.0	0.0	0.1	-0.1	-4.4	-4.4	0.0	-0.6	0.9	1.6	0.2	-0.2
Alb	0.0	0.0	0.1	0.0	-0.8	-1.2	0.0	-0.2	0.9	0.4	0.2	-0.1
BC	-2.0	-3.4	0.1	-0.1	-2.2	-3.0	0.0	-0.4	0.9	1.1	0.2	-0.1

Table 14 provides our estimates of the total-economy impacts of the regulations. The principal finding that stands out is that the implications are small in every province, given a total-economy perspective. Thus, while authorities who focus on implications for the pulp and paper sector may legitimately be concerned with implications for that sector in their province, provincial treasurers and others with a more aggregated view of each province's economy should not expect major implications to follow. Further, pro-growth implications of the investment phase should dominate, regardless of regulation, during the early years. Table 15 provides indications of employment effects consistent with the impacts on provincial economic output.

Table 14
Impact on Provincial Total Economic Output
(per cent impact)

	Eff Regs		Option A		Option B		Option C		Option D		Comp Option	
	'92	'97	'92	'97	'92	'97	'92	'97	'92	'97	'92	'97
Nfld	.41	.05	.03	.00	.05	.02	.04	.00	.10	-.02	.05	-.01
PEI	-.05	.00	-.02	.00	-.01	.01	-.03	.00	-.05	-.02	-.03	-.01
NS	.11	-.18	.03	-.01	-.02	-.08	.03	-.02	.07	.01	.04	-.01
NB	.22	-.39	.12	-.02	-.02	-.26	.16	-.05	.28	.05	.17	-.03
Que	.19	-.11	.04	-.01	.04	-.02	.04	-.02	.11	-.03	.06	-.02
Ont	.10	-.04	.03	-.01	.04	.00	.03	-.01	.08	-.03	.04	-.02
Man	.03	-.09	.02	-.01	.03	.00	.02	-.01	.05	-.02	.03	-.01
Sask	.02	.01	.01	-.01	.01	-.01	.01	-.01	.01	-.01	.01	-.01
Alb	-.01	-.18	.00	-.01	.01	.02	.00	-.01	.00	-.03	.00	-.01
BC	.21	-.02	.10	-.01	.03	-.14	.16	-.03	.33	.01	.18	-.03

Table 15
Impact on Provincial Total Employment
(thousands of person-years)

	Eff	Regs	Option A		Option B		Option C		Option D		Comp Option	
	'92	'97	'92	'97	'92	'97	'92	'97	'92	'97	'92	'97
Nfld	0.5	0.1	0.0	0.0	0.1	0.0	0.0	0.0	0.1	0.0	0.1	0.0
PEI	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
NS	0.4	-0.3	0.1	0.0	0.0	-0.2	0.1	0.0	0.2	0.0	0.1	0.0
NB	0.8	-0.6	0.3	0.0	0.1	-0.5	0.4	-0.1	0.7	0.1	0.4	0.0
Que	5.5	-2.2	0.8	-0.2	1.0	-0.3	1.0	-0.4	2.3	-0.6	1.4	-0.4
Ont	3.2	-1.1	0.9	-0.4	1.6	0.2	0.9	-0.5	2.5	-1.4	1.3	-0.7
Man	0.1	-0.2	0.0	0.0	0.1	0.0	0.0	0.0	0.1	-0.1	0.1	0.0
Sask	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Alb	-0.3	0.2	0.0	0.0	0.1	0.2	-0.1	-0.1	-0.1	-0.2	-0.1	-0.1
BC	3.1	-1.5	1.3	-0.1	0.9	-1.4	2.1	-0.3	4.1	0.1	2.3	-0.3

5 SENSITIVITY TO ASSUMPTIONS

To this point in the report, the impact of regulations has been presented as sensitive, in small degree at the total-economy level, to variations in the nature of the regulations. Thus, several alternative approaches to regulating furan and dioxin emissions have been reported, and these are characteristically different in their effects from likely impacts of regulating effluent emissions.

Beyond these considerations, however, there are other uncertainties derived from how commodity and exchange rate markets respond to changed prices (and economic activity), and others related to where the incidence of change may be most pronounced in the country. To explore the effect of different views of behaviour in these areas, four other simulations are reported. Each represents a variant on the impact of the Effluent Regulation case reported in the previous section.

5.1 Foreign Market Response To Price Change

The impacts reported to this point were predicated on a view that exports would respond to price changes as detailed in Section 3.1. Here we report on two alternatives, one of which assumes there is no (an "inelastic") price response of pulp and paper exports, and a second, in which export volumes are reduced in direct proportion to export price increases (a "unitary elastic" case). These are compared to the Effluent Regulation case reported earlier, and indicate the extent to which the earlier impacts would be altered. Table 16 reports the major findings; Appendix F provides further details.

If there is no foreign response to increased prices (i.e., foreign purchasers are willing, or otherwise required by market conditions to absorb the price increases), then about one-third of the negative effects reported earlier for pulp and paper industry output would disappear. For the economy as a whole, initial positive effects on economic activity, and government and other incomes, would be reinforced, and long-term negative effects, already close to negligible, would be partially offset. In short, this alternative suggests that a willingness of foreigners to "swallow" the price increases is important to industry and all-economy impacts, but domestic customer responses also matter. If industry prices are raised in consequence of higher current expenditures for the industry, then some negative effects can be expected because of domestic considerations.

The unitary elasticity case more likely represents the view of those who are concerned about the economic consequences of the regulations. (Notice, however, that this does not represent a possible upper limit to reactions, since elasticity responses can exceed one, or unity.) Impacts of these kinds, or larger, could also occur if additions to current expenses from depreciation lead to much larger industry price effects than we have postulated. The extent to which this is likely will depend critically on tax provisions. In any event, if there is an elastic price response, output in the industry, already reduced by about 3 per cent in the long term, would be further reduced by 0.5 per cent. Aggregate economic effects would similarly suffer further.

Considering these results, and those reported earlier, however, it should be noted that decreases in industry output of more than 4 per cent would likely only occur in the event where foreign price sensitivity is unusually high. This case is likely hard to establish. Further, a "4 per cent" negative impact case is still one that can be characterized as one that slows growth rather than one that indicates major, or widespread downsizing of the industry.

Table 16
Impact of Changed Elasticities
Impacts Compare Alternative Elasticity Cases to Main Effluent Case
(per cent impact)

	1991	1992	1993	1994	1997	2000
Inelastic						
Pulp Exports, \$K	0.26	0.51	0.79	0.80	0.77	0.71
Newsprint Exports, \$K	0.37	0.72	1.10	1.13	1.09	1.02
Other Paper Exports, \$K	0.64	1.25	1.91	1.95	1.88	1.74
Industry Output	0.27	0.54	0.82	0.84	0.84	0.07
Total Economy Output	0.01	0.02	0.03	0.03	0.03	0.03
Total Employment (000 p-y)	0.46	1.17	2.01	2.44	2.64	2.47
Total Gov't Balances (\$Mn)	28	68	118	147	197	258
Unitary Elastic						
Pulp Exports, \$K	-0.32	-0.63	-0.96	-0.98	-0.95	-0.88
Newsprint Exports, \$K	-0.16	-0.31	-0.48	-0.49	-0.47	-0.44
Other Paper Exports, \$K	-0.02	-0.03	-0.05	-0.05	-0.05	-0.05
Industry Output	-0.17	-0.34	-0.52	-0.52	-0.50	-0.46
Total Economy Output	-0.01	-0.01	-0.02	-0.02	-0.02	-0.02
Total Employment (000 p-y)	-0.29	-0.73	-1.25	-1.51	-1.63	-1.50
Total Gov't Balances (\$Mn)	-18	-43	-75	-93	-124	-162

5.2 Macroeconomic Uncertainties

It is not particularly likely that the Canadian economy will be at full employment by 1991 when the increased demands on productive resources that follow from pulp and paper industry investment begins. Accordingly, this limitation on the results is not considered here. As well, the magnitude of the increase in credit demands associated with increased investment is extremely small considering the open nature of the Canadian capital markets. Accordingly, we judge that consideration of interest rate effects is similarly, a third-order problem.

Of possible, more important significance are impacts on exchange rates. Given this, Table 17, and Appendix F report an Effluent Regulation impact in which the exchange rate has been allowed to adjust endogenously.

Again, the tabulations report the impact of the Effluent Regulation case (with exchange rate adjustment) compared to the earlier Effluent Regulation case.

As the table indicates, exchange rate considerations would do little to alter the character of the results. During initial years, improved economic performance associated with the investment phase would tend to promote a slight appreciation of the dollar. The effect of this would be to slightly mute the positive effects on output of the investment phase. Longer term, weaker economic performance and exports would tend to promote a slight depreciation of the Canadian currency. The effect of this would be to partially offset the negative effects on output otherwise indicated by Effluent Regulations, or other cases that tend to promote limited growth and higher prices for pulp and paper products. The magnitude of these later effects, is, however, slight.

In short, exchange rate movements could limit both the overall positive and negative impacts on total economic performance. The magnitude of this effect on total results would not be strong, however, and the character of the results reported in more detail earlier, is little changed by this consideration.

Table 17
Impact of a Flexible Exchange Rate
Impacts Compare Exchange Rate Case to Main Effluent Case
(per cent impact)

	1991	1992	1993	1994	1997	2000
US cents per \$ Can (cents)	.00048	.0024	.0014	.0014	-.00049	-.00092
Total Economy Output	-0.01	-0.05	-0.02	-0.01	0.01	0.01
Total Employment (000 p-y)	-0.54	-2.92	-2.09	-1.27	1.01	1.44
Total Gov't Balances (\$Mn)	-73	-352	-131	-178	106	141

5.3 Revised Estimate Of Provincial Effects On The Pulp And Paper Industry

Since many influences, including those of the underlying Base Case, can determine how individual mills respond to each of the cases, we have emphasized our concern that how effects on the pulp and paper industry are distributed provincially is very uncertain. Here we provide an alternative view of the distribution effects, assuming that output of the pulp and paper industry is reduced evenly in each province. The main purpose of this is to determine whether this has notable, significant effect on prospects for the provincial distribution of total economic effects.

Table 18 provides an indication of the contrast between the two different distribution assumptions. As this suggests, impacts during the early years are little changed since during this period, impacts are dominated by the provincial allocation of industry investments. This is not altered in the second case. Over the longer term, the concentration of negative effects

in New Brunswick and British Columbia, a feature of the results reported earlier, would be diminished. Notice, however, that the scale of the impacts, measured at the total-economy level for each province, is small in either event. This, rather than the distributional effect, is the dominant characteristic of the results.

Table 18
Impact on Provincial Total, and Pulp and Paper Output of
Effluent Regulations
Main Impact and Sensitivity Case
Both Compare Effluent Case to Base Case
(per cent impact)

	---Main Impact Case---				--Sensitivity Case--			
	Total Output		Pulp & Paper		Total Output		Pulp & Paper	
	'92	'97	'92	'97	'92	'97	'92	'97
Nfld	0.4	0.0	0.0	0.0	0.3	-0.1	-1.8	-2.8
PEI	0.0	0.0	0.0	0.0	0.0	0.0	-1.8	-2.8
NS	0.1	-0.2	-3.6	-6.2	0.2	-0.1	-1.8	-2.8
NB	0.2	-0.4	-3.7	-6.5	0.3	-0.2	-1.8	-2.8
Que	0.2	-0.1	-1.8	-3.0	0.2	-0.1	-1.8	-2.8
Ont	0.1	0.0	-1.1	-1.8	0.1	-0.1	-1.8	-2.8
Man	0.0	-0.1	-1.8	-13.5	0.1	0.0	-1.8	-2.8
Sask	0.0	0.0	0.0	0.0	0.0	0.0	-1.8	-2.8
Alb	0.0	-0.2	0.0	0.0	0.0	0.0	-1.8	-2.8
BC	0.2	0.0	-2.0	-3.4	0.2	-0.2	-1.8	-2.8

6 CONCLUSIONS

The principal purpose of this study was to provide estimates of the extent to which additional emission-reduction regulations affecting the pulp and paper industry would alter economic prospects of the national, or any of the provincial economies. Our principal finding is that the real size of the Canadian economy would likely be increased over 1991-93, owing to the additional requirement for industry investment during that period. Post that time, negative effects are likely, but in even the "worst" case (high investment and operating costs, both forms of regulation, and highly elastic export response), the size of the Canadian economy should not be diminished in any year by much more than one-tenth of a per cent.

Consistent with this, positive employment impacts in the range of 17,000-18,000 could be expected in the early years, and negative effects of up to 10,000 are possible longer term. Negative effects, it should be noted, will be occurring in the context of a growing economy and employment, and the scale of these longer-term impacts would not likely be distinguishable in that context.

As a general statement, additional regulations will add to the size of each province's economic output during the early, investment-phase years, regardless of the nature of the regulation. The distribution of these positive effects is highly dependant on the location of regulatory effects on industry investment. Given those provided by the Department, we estimate that these initial positive effects on provincial, total economic output could range as high as 0.5 per cent in Newfoundland, New Brunswick and British Columbia (assuming that both effluent and dioxin/furan regulations are changed). The effects would be smaller, but also notable, in Nova Scotia, Quebec and Ontario.

Over the longer term, negative effects on total provincial economic output would likely be most pronounced for New Brunswick, where the size of the economy could be reduced by 0.6 per cent if both effluents and dioxin/furan regulations are introduced. Impacts on Nova Scotia, Quebec and British Columbia are also likely to be negative, but small. Notice, again, that while effects may be notable for New Brunswick, this will occur in the likely context of a growing economy.

Prospects for the construction sector, and selected manufacturers of durables will be enhanced by the additional investment of the pulp and paper industry. For others, both near and longer term, implications are close to negligible being generally positive in early years and negative past 1993.

For the pulp and paper industry, and its forestry-sector suppliers, we judge that longer-term effects would likely be negative. Still, we estimate that the "worst" case impact (high investment and operating costs, both forms of regulation, and highly elastic export response), would be in the range of 5 per cent. In the context of underlying annual growth averaging one per cent, this would be sufficient to approximately keep the size of the industry (measured nationally) to approximately current levels through to the middle of the 1990s as the effects are phased in.

It should be noted that some regulatory options can add to prospects for the industry, and there is no certainty that "worst" case assumptions

about effects on exports will be realized. Also, it is distinctly possible that underlying growth could exceed, or be less than, one per cent, given uncertainties about international exchange rates, the effect of using waste paper in North American paper production, etc.

Impacts on the size of the industry, measured provincially, are likely to be proportionately most severe in Nova Scotia and New Brunswick. Implications for the industry in Quebec and British Columbia will also likely be visible, and they could be very notable in Manitoba. These provincial effects, however, are highly contingent on arguable views about provincial impacts. On balance, we conclude that concerns are most likely to be pronounced in Nova Scotia and New Brunswick.

Finally, we note that uncertainties surrounding the state of the Canadian economy, how exchange and capital markets react, and how foreign buyers react to increased industry prices all exist. We conclude, however, that within reasonable boundaries, the effect of these on the industry, and total economy, would not be sufficient to alter the major findings reported.

Of likely greater importance are elements not assessed within the confines of this study. That is, there should be economic benefits of reduced emissions, and Canada's actions to reduce emissions are likely to be matched in some degree by other countries. These considerations suggest that the long term negative economic effects reported, already small in scale, are overstated both as measured by impacts on the industry, and total economy.

APPENDIX A
OVERVIEW OF TIM/RIM

TIM DESCRIPTION

The Informetrica Model (TIM) is a large, disaggregated econometric model of the Canadian economy. The basic structure of the model follows in the tradition of several predecessor models including those of the CANDIDE family and earlier ones such as the Klein-Goldberger and Brookings models. The basic structure of TIM is shown in the TIM Flow Chart below.

A highly simultaneous model, TIM provides forecasts for almost 5,000 separate measures of economic activity, prices and incomes. One key attribute of TIM is its highly disaggregated final demand section. Individual estimates are available for:

- 51 categories of consumer expenditure,
- government expenditures by functional type and level,
- 48 export categories with separate equations for the U.S. and rest-of-world
- 41 import categories with the same directional detail,
- separate estimates for each of plant and equipment investment and capital stocks for over 40 industrial categories,
- and projections for residential construction.

The final demand sector is an important channel for the resolution of impacts and for the differentiation of alternatives. Most final demand categories are explained as functions of relative prices and incomes. Thus, any factor that affects either prices or incomes will directly change the level and/or composition of final demand. One characteristic of TIM is an endogenous government expenditure section with "reaction functions" providing a linkage from the scale and composition of the economy or government revenues and/or activities, back to government expenditure on goods and services. In some policy impacts, these reaction functions are specifically exogenized to exclude an additional government response.

Using an integral input-output sub-model, TIM converts this substantial final demand detail into the equivalent industrial output - Gross Domestic Product at factor cost - for approximately 80 industries. Thus, the level and composition of industrial activity is a direct function of that of final demand. The detailed final demand projections provide a rich content for the industrial projections.

The estimates of output and the corresponding capital stocks are the key explanatory variables in the production functions which provide consistent estimates of labour demand by industry. Thus, an impact which initially affected investment would also be expected to impact labour demand. Estimates of labour demand are provided for 62 industries. For some industries, the estimates are developed in a two-step, non-linear process to reflect the appropriate adjustment from short-term influences towards the longer-term labour requirements. Labour supply, the participation of people in the labour force, is primarily determined by job opportunities, income and underlying demographic trends.

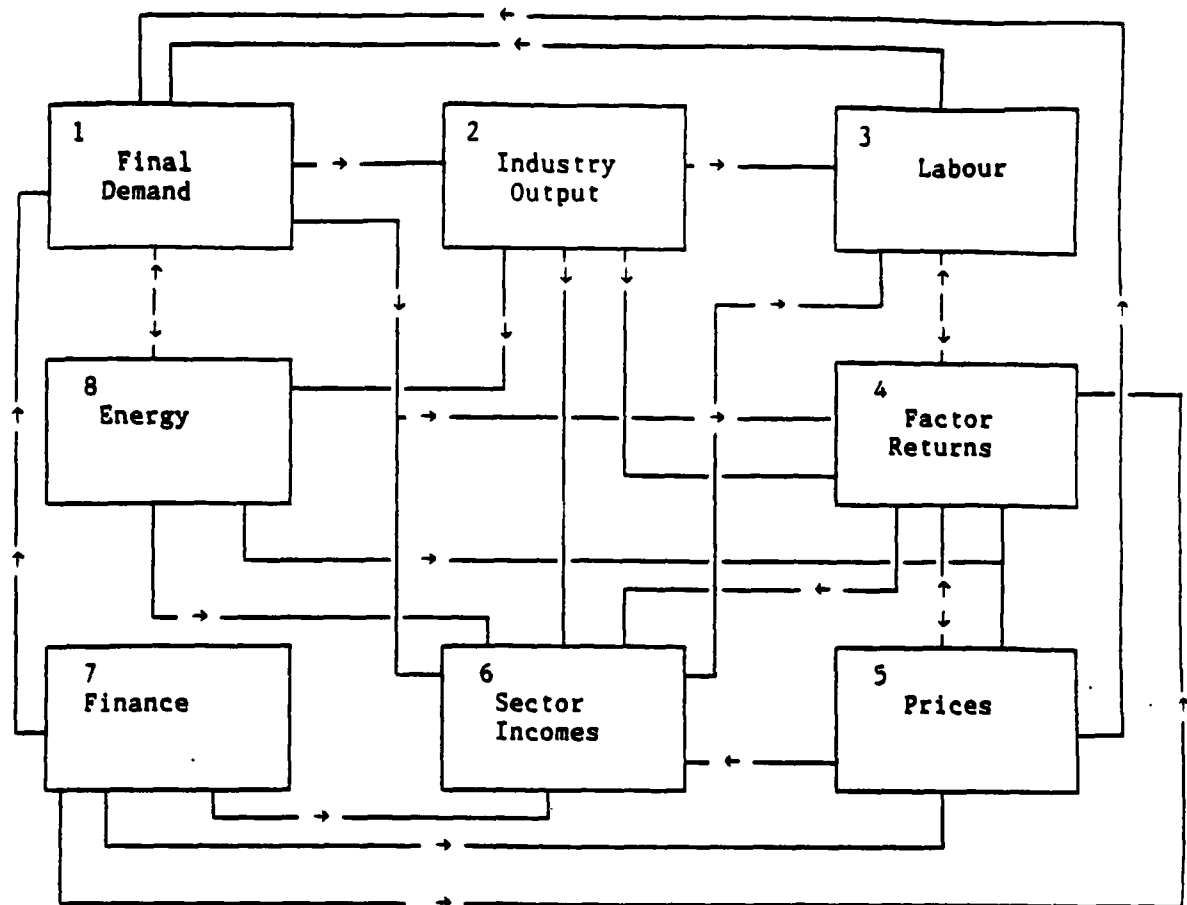
The level of factor demands, as defined by capital stock, employment and output as well as prices and interest rates, is key to the derivation of nominal industrial income (GDP) disaggregated by industry in terms of wages, unincorporated income and surplus or return to capital.

An input-output based prices model is used to estimate detailed final demand prices using industry GDP measures, foreign prices, taxes and subsidies to ensure that the value of final demand is consistent with the incomes derived from its domestic production. Thus, any change in domestic incomes, unit labour costs or foreign prices is passed to domestic prices through the prices model.

Consistent with the basic structure of the Statistics Canada Income and Expenditure Accounts, total income is also allocated to the four major economic groups or sectors - persons and unincorporated business, governments, corporations and the foreign sector. These incomes and the final demand prices are the major explanatory variables in the determination of final demand. Thus, one channel for the resolution of an impact is either directly or indirectly through the sector incomes and hence to final demand.

An integral energy sub-model is used to provide energy use, supply, price and revenue detail consistent with the rest of the forecast. Estimates of the structure of interest rates and capital flows are also provided in the financial blocks of the model.

THE INFORMETRICA MODEL - SECTORAL STRUCTURE



1-Consumption=f(real personal income, relative prices, demographics)
 Investment=f(capital stock, output, industry income, capital prices)
 Government=f(activity)
 Imports=f(activity, relative prices, tariff rate changes)
 Exports=f(foreign activity, relative prices)

2-Output=f(Consumption+Investment+Government+Exports-Imports)

3-Labour Supply=f(income, demographics, labour market tightness)
 Employment=f(output, capital stock)

4-Labour Income=f(labour market tightness, output, capital stock, prices)
 Capital Income=f(interest rates, capital costs and stock, foreign prices, subsidies)
 Oth. Bus. Income=f(output, prices)

5-Prices=f(foreign prices, domestic factor incomes, taxes and subsidies)

6-Personal Income=f(labour income, transfers, property income)
 Corporate Income=f(domestic and foreign capital income)
 Government Income=f(net interest, tax revenue)
 Foreign Income=f(personal remittances, earnings on investments)

7-Interest Rates=f(foreign interest rates, asset demand)

8-Oil Production=f(exogenous assumptions)
 Demand=f(industry and household and foreign demand)
 Gas Production=f(net requirements)
 Demand=f(industry and household and foreign demand)
 Energy prices=f(oil price, tax and subsidy assumptions)

RIM DESCRIPTION

The Regional-Industrial Model (RIM), a formal "top-down" model, is used to provide the provincial dimension to the estimates of industrial activity, employment and income. Because of the availability of the sophisticated macroeconomic structure inherent in The Informetrica Model, TIM, the structure of RIM is focused directly on the regionalization of the detailed outputs from TIM. The major model flows are outlined in the RIM flow chart below.

The initial stage is the regionalization of the TIM forecasts for industrial output - Gross Domestic Product at constant prices - for 61 industries. In general, for these impacts, the regional shares of activity for most traded goods-producing industries are unchanged from their base case values. The major exceptions to this rule are primary sector industries, such as metal mining, whose shares have been altered because of detailed final demand responses in TIM. For example, the focus in B.C. is on copper, whereas the dominant metal in Ontario is nickel. In these impacts, the relative export responses of the various metal categories in TIM is used to vary the regional shares of metal mining. For example, the variation in fertilizer exports, (e.g., potash), is the major determinant for Saskatchewan's share of non-metallic mineral output but does not directly affect the level of non-metallic mineral output in Ontario.

The assumption of stability of regional shares for other goods-producing industries, particularly manufacturing, is tenable because of the level of industrial disaggregation in RIM. For example, the differential impact of a change in interest rates on the demand for ships relative to the demand for automobiles is easily regionalized because both components of transportation equipment manufacturing are considered separately within the TIM/RIM framework.

The principal determinant of regional construction activity is, of course, residential and nonresidential investment. The national investment forecasts at the detailed industrial level are distributed to the regions using the regional estimates of constant dollar GDP as the principal explanatory variables. Estimates are provided for 14 industrial sectors for investment, discards and capital stock for both nonresidential structures and for machinery and equipment. The regional forecasts of housing starts are primarily a function of regional income, the vacancy rate and the housing stock. Estimates are provided for starts, completions and stocks for both singles and multiples for the 10 provinces.

The regional allocation of activity in the non-traded goods and services industries is determined by the regional level of households, aggregate income, GDP or some similar measure relative to the corresponding national level. For some industries, such as wholesale trade, some cross-region relationships are modelled.

The level of industrial detail in RIM reflects the uniqueness of the databases created by Informetrica to support its model development. RIM's industrial detail includes:

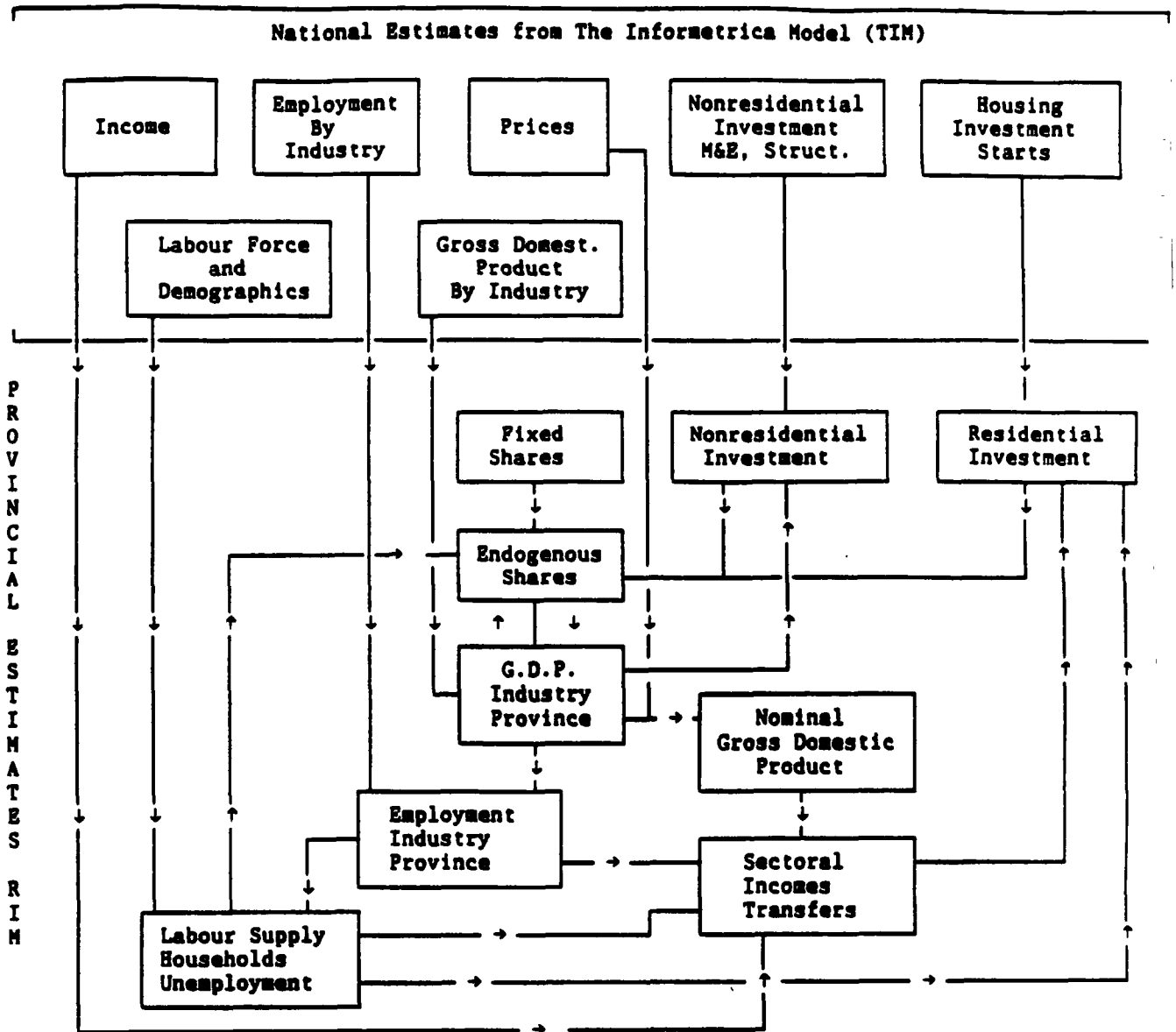
- Agriculture,
- Forestry,
- Fishing,
- Resource Extraction (Mining) and 6 sub-industries,
- Manufacturing, 19 major groups and 6 transportation-equipment sub-industries,
- Construction,
- Transportation Services and 7 sub-industries,
- Storage,
- Communications and 3 sub-industries,
- Utilities and 3 sub-industries,
- Commercial and Public Services and 6 sub-industries,
- Finance, Insurance and Real Estate,
- Royalties,
- Imputed Income from Owner-Occupied Dwellings, and
- Public Administration and 3 sub-industries.

Employment for 61 industries in each province is determined by relative regional productivity, national labour/output ratios and by the level of industrial output in each region. The provincial share of households is determined in the model principally as a function of that region's current and past employment share. The size of the provincial labour force is determined by the level of households or employment and the regional distribution of income.

Labour income is allocated using national income/output ratios and the regional distribution of industrial output. Nominal Gross Domestic Product is allocated provincially using national value-added prices and regional industrial output. Personal income in each province is the sum of labour income, unincorporated income and transfers from other sectors. Of the latter, UI benefits are regionalized using the relevant unemployment levels and rates. Other transfers are regionalized principally by the distribution of households or of income.

When comparing the national and regional results, it should be noted that only domestic concepts are used within the regional model. Therefore, the measure of corporate profits used excludes the impact of net foreign income flows. Similarly, the impact of a shock on Gross Domestic Product is not equivalent to that on Gross National Product because of these same flows, as well as because of the difference between a factor cost and a market price measure. Finally, the concept of labour income used in the regional model excludes military pay and allowances. However, these are included in personal income.

STRUCTURE OF THE REGIONAL-INDUSTRIAL MODEL (RIM)



APPENDIX B
BASE CASE OUTLOOK

- **WESTERN PROVINCES BUCK SLOWING TREND**
- **LABOUR FORCE LOSSES SWAMP JOB LOSSES**
- **FOOD & ENERGY KEEP PRESSURE ON PRICES**

**POST-WORKSHOP II-89 PROVINCIAL REFERENCE OUTLOOK
EXECUTIVE SUMMARY**

OVERVIEW

National economic growth halves in 1990 compared with 1989 and job growth barely edges ahead. The Western provinces generally experience above average gains, while the Atlantic regional economies either contract in 1990 or grow very slowly. Central Canada expands at around 1 per cent.

For 1990, the West is buoyed by energy activity and a continued recovery in the farm sector, and the East is reeling from cuts in fishing quotas and the overall slowdown, while Ontario and Quebec are weakened by falling demand for manufactured durables. Job growth echoes this regional pattern and unemployment rates rise across the country.

After the North American economies climb out of the 1990 growth trough, Quebec and Ontario generally expand steadily at 2.5 to 3 per cent through the first half of the 1990s, although major projects, such as the Fixed Link Crossing, Hibernia and the Frigate Program, also bolster growth in most of the Atlantic provinces. Expansion in the West is sustained by large energy and other capital projects through the 1990s.

Strengthening Canada's overall growth prospects over the decade are the Free Trade Agreement, with its assumed boost to investment and productivity, and the Goods and Services Tax, producing an additional surge in investment and exports. Limiting growth are the recent restrictive Federal Budget (we have

assumed that, in aggregate, the provinces will boost taxes over the 1991-93 period to make up for limits to EPF transfers), continuing high interest rates, supply problems in fishing and forestry and the changing demographics of the labour force.

The investment surge is continuing, if the 1990 intentions in the Public and Private Investment survey are to be believed. While this surge may be due to the need for restructuring under the FTA, a further nudge to investment is likely with the incentives available through the GST. This outlook is similar to the survey; when installed, the additional capital strengthens subsequent manufacturing output.

With investment leading growth through the first part of the 1990s, the central provinces are the major beneficiaries from this strong demand for capital goods. Later in the decade, as the new capital boosts labour productivity in manufacturing, Quebec and Ontario reap the benefits of larger output arising through greater cost-competitiveness.

In the West, investment in, for example, pulp mills in Manitoba, Alberta, and Saskatchewan adds to overall growth through construction, and later, through production.

The real price of energy weakens in 1990, after which the price increases at around 2 per cent a year through the decade. Reflecting this bullish view on price, we have included several large energy projects, such as the Husky heavy oil upgrader, 1989-92, the development of Hibernia, 1991-96, OSLO, 1993-97, and some extraction of oil in the Beaufort.

The Territories ride along on construction projects such as the North Warning System (finishing in the early 1990s) and a pipeline to deliver oil to the South (with construction beginning later in the decade). We have also included the Vancouver Island natural gas pipeline, and an expansion of pipeline capacity from Alberta to Quebec in 1990-91.

Revisions to major capital projects, occurring because of the Federal Budget, include: cancellation of the Polar 8 icebreaker, causing a drop in B.C.'s shipbuilding output, and a loss of federal funding for the OSLO project in Alberta. OSLO remains in the forecast because we presume that private-sector funding will fill the gap.

Electricity demand continues to be important to the regional economies. Ontario is trying to cool growth in demand (we have not included Ontario Hydro's investment in a new generation of nuclear plants), while Quebec and Manitoba continue to add capacity through the decade.

National population growth slows from the current 1 per cent a year to 0.6 per cent by the turn of the century. Generally, this limits growth for private and public services, consumer goods and housing. A province generating relatively more jobs, however, tends to attract households from its neighbors, and this household migration strengthens that province's service sector.

In this regard, Ontario tends to perform better than Quebec, which experiences large productivity gains in its nondurables manufacturing sector; in this sector, there are net job losses over the decade. The Prairie

provinces feel the effects of the loss of jobs in agriculture, while Atlantic Canada's primary industries continue to suffer from supply constraints.

Housing starts in most provinces weaken in 1990 and stay roughly at these new, low levels for the first half of the decade. Newfoundland and Alberta, pushed along by major projects, both show higher levels of housing starts in the back end of the decade.

Overall, the central provinces weather the 1990 slowdown and move into an extended period of steady growth of around 2-2.5 per cent a year. Occasional periods of stronger growth in other regions are conditional on decisions to undertake major investment projects such as those mentioned above. As such, since our outlook is one of a decade of only modest growth, expansion in the regions is largely dependent on these projects going ahead. This reliance on decision-makers' continuing appetite for large projects, and on movements in prices of energy and other primary commodities, represents a risk to our forecast.

PROVINCIAL SUMMARIES

Newfoundland

In 1990, the slowdown of the national economies in North America coincides with the severe cutback in fishing quotas to produce another contraction in the province's economy, similar to that seen last year. Unlike 1989's, this year's downturn is more narrowly based, largely in the fishery and allied food-processing industries and in construction.

Next year, growth bounces back to something like the average seen in the latter half of the 1980s. We are assuming Hibernia goes ahead in 1991, producing vigorous growth directly in construction output through nonresidential structures investment. The other supporting industries such as shipbuilding and metal fabricating also benefit, and increases in labour force and households provide an underpinning to growth in the service sector. As the megaproject continues through the decade, these same industries show stronger than average gains. Through this period, the fishery and fish-processing industries continue to limp along.

Overall, annual job growth averages 1.5 per cent for the decade, although it takes until 1992 before the boom on the offshore translates into new jobs in the province and the 18 plus per cent unemployment rate reached in 1990 starts dropping. By the end of a decade of 3 per cent average growth, the unemployment rate eases to around 13 per cent, where it was in 1980-81. Much of the strength in the province's economy is dependent on Hibernia construction, its timing and leakage factors of the contributing industries.

Prince Edward Island

As income growth in the province slows, with the slowdown of the North American economies, services contract and this, combined with the closing of CFB Summerside and slashed fishing quotas, produces a drop in overall economic activity. The start of the Fixed Link project in 1991 amplifies the effects of the national recovery in the province. The link causes a restructuring of the province's transportation industry to motor from rail and water. There is also

a one-time increase in tourist visits to the Island in 1994.

After this period when growth rises above the national average, the province returns to its traditional economic base of agriculture and allied manufacturing, and services, and with it, slow growth of around 1 per cent a year. The unemployment rate moves up to near 15 per cent in 1990 and stays above 14 per cent until the end of the decade. Job growth is above 1 per cent in the latter half of the decade only in the areas of tourism, transportation and administration. The primary industries continue to shed labour through the decade.

Nova Scotia

Output in the province barely edges ahead of 1989 levels in 1990, as Nova Scotia's forestry, fishing and mining sectors, and their manufacturing counterparts, contract. Most of the service industries hunker down to a 1 per cent growth year. Holding their own are the province's small aerospace industry, pulp and paper and chemicals.

The pace of expansion picks up in 1991, but growth averages well below 2 per cent a year for the decade. The fishing and fish processing industries continue to struggle, while forestry and pulp and paper face a future of declining timber stocks. Utilities investment continues strong with the construction of thermal stations at Trenton and Point Aconi.

Unemployment drifts up slowly through to the mid-1990s as the current investment boom, rekindled by Free Trade and the GST, results in productivity gains. In the latter half of the decade, this effect fades and modest output increases are reflected in rising employment, resulting in a gradual lowering of the unemployment rate to the 10 per cent range by the turn of the century.

New Brunswick

This year, the provincial economy expands at close to the national rate of 1.4 per cent, a bright light in the Atlantic region with only the fishery, forestry and mining as weak performers. In 1991, the stronger North American economy, pushed along by government shipbuilding, coincides with the start of the Fixed Link to produce a provincial economy that leads all others in growth.

When the Link project finishes in 1994, this boom led by construction and the manufacturing industries supplying inputs, tapers off. For the rest of the decade, the province maintains a 1.2 per cent average annual growth rate, with gains in pulp and paper and mining being offset by weakness in shipbuilding and construction. Much of the reason for this is that the trend toward slower household formation affects New Brunswick's mainstay industries such as housing products and food and beverage production.

While the growth boost in the first half of the decade lowers unemployment to 11 per cent, the feeble growth in the remainder of the 1990s, coupled with productivity gains from restructuring, is not enough to prevent the jobless rate from climbing back to 12.5 per cent.

Quebec

Throughout the forecast, Quebec's output growth tracks Ontario's and hence Canada's closely. In 1990, economic expansion of Central Canada slides below the national average. In earlier decades, Quebec's economy was more insulated from North American slowdowns than Ontario's, but changes through the 1980s in its industrial structure have made it more susceptible to the cyclic nature of durables production.

The Quebec economy rebounds in 1991, with nearly all industries growing modestly but with an especially strong recovery in durables manufacturing and construction, with 3,000 extra starts and robust nonresidential investment. For the rest of the decade, the economy is pushed along by hydro power development and exports, and energy-intensive industries such as aluminum and pulp and paper production.

The Free Trade investment boom yields improvements in productivity and, at the same time, reduces labour requirements particularly in consumer nondurables. As a consequence, the unemployment rate hangs above 10 per cent for the first half of the decade before export growth gradually pushes the rate below 10 per cent in 2000.

Ontario

As goes the national economy, so goes Ontario, except that downturns are amplified by an even larger drop in demand for durables. The decline in automobile production bottoms out in 1990, only to leap ahead in 1991 with the recovery in the Canadian and U.S. economies and in incomes. Meanwhile, the parts and accessories sector continues to grow as the new North American assembly plants seek local sources for imported parts.

Nonresidential investment stagnates in 1990, except for manufacturing, which is caught up in restructuring to meet the challenges imposed by the Free Trade Agreement. Slight growth in structures is obliterated by a 10 per cent slump in housing and this allows the construction industry to settle back from the peak seen over the past few years. When the economy bounces back in 1991, Ontario sees strong growth in transportation equipment, and also from demand for investment goods, as restructuring for Free Trade is augmented by cheaper capital under the GST.

As for jobs, slower output gains keep job growth at 0.5 per cent in 1990, before climbing by nearly 2 per cent next year (up by 24,000 and then a further 90,000 in the two years). The province's unemployment rate remains in the 6.3 per cent range until 1993 and then steadily decreases to 4.7 per cent by the end of the decade.

Manitoba

Manitoba performs better than average in 1990, thanks to the continued recovery of the farm sector, and nonresidential structures investment. In general, the revitalization of all western agriculture has strengthened Manitoba's relatively large trade and service sector.

While growth of hydroelectric investment begins to slow in 1990 as the Limestone project winds down, pipelines scheduled for construction underpin the continuing strength in construction and the economy as a whole. Starting in 1994, nonresidential investment again takes centre stage with the building of the Conawapa project. This becomes a crucial assumption in our Manitoba outlook, because growth of most of the other goods-producing sectors sags below 2 per cent growth after 1994.

The unemployment rate balloons above 9 per cent through the early 1990s as labour-shedding free-trade investment takes its toll in manufacturing. Job losses and productivity gains are also the norm for agriculture through the decade.

Saskatchewan

Saskatchewan continues to do well in 1990, when most of the other provinces feel the pinch of slow U.S. growth and the interest rate crunch in Canada. This occurs as the farm sector continues to recover, in output terms, from the 1988 drought, and there is strength in oil and gas development, and manufacturing and utility investment. Growth, however, of farm incomes and household formation continues to be weak, which acts as a brake on service sector growth.

Next year, when other provincial economies are recovering, Saskatchewan racks up only moderate growth. The farm economy has returned to "normal," while investment and construction ease back. Nonresidential investment, as in Manitoba's case, is bolstered by pipeline construction. As well, the Shand-Rafferty project continues until about 1992 as does the Lloydminster heavy oil upgrader.

Throughout the decade, manufacturing records gains averaging 3 per cent in the first half and closer to 2 per cent later. In the near term, notable increases occur in chemicals, and, to a lesser extent, pulp and paper. Oil and gas output also provides a boost in the early 1990s, especially when the Lloydminster upgrader is completed in 1993 and oil and gas prices start to improve.

Overall, however, household growth remains extremely weak right through the decade. The largest sector, agriculture, continues to shed labour following the trend toward less labour-intensive operations. This dampens the prospects for people-related goods and services. A stagnant labour force and moderate job growth point to declines in the unemployment rate from an 8 per cent peak in the early 1990s.

Alberta

Alberta's growth in 1990 is a respectable 2.3 per cent, thanks to strong showings in oil and gas, pulp and paper and chemicals. Oil and gas investment recovers from last year's slump and construction benefits from the increases.

With the national pickup next year, Alberta's mining industry grows at only 1 per cent, but most of the other industries double that growth. And so it goes through the decade with average growth of just over 2 per cent. Stronger energy prices improve the prospects of oil and gas and ensure the

construction of the OSLO project later in 1990s. Generally through the decade, the goods-producing sectors are stronger, while services are weaker than the average.

Only small additions to the labour force combined with steady output growth through the decade produce an unemployment rate that falls gradually from 7.6 in 1990 to a tight 5.3 per cent at the turn of the century.

British Columbia

The expansion in B.C. slows this year to under 2 per cent, as weakness in the primary sectors is offset by buoyancy in construction (housing), services in general, and pulp and paper manufacturing. The rest of manufacturing falters in the face of a climbing dollar and a slower U.S. housing sector. Some impetus is also provided by the Vancouver Island gas pipeline project being constructed this year.

B.C. is a popular destination for immigrants from the rest of Canada and outside the country. Household growth is set to reach 2.2 per cent this year, even higher than the average growth in the late 1980s. This is pushing up housing starts and residential investment and providing a firm basis for local services. It also means that unemployment rises this year to 10 per cent.

Next year, however, housing slackens off with only half as many starts contemplated, and construction plummets and overwhelms the modest recovery of the wood products industry. Average growth for the decade is 2 per cent, with the traditional primary industries driving the growth. Slower growth in North American household formation limits demand for B.C.'s forestry products.

Territories

The boom years of the 1980s are over for the Territories. Growth last year fell to 0.5 per cent and reaches 1.2 per cent in 1990. Oil and gas investment and resource extraction are weak. After the downturn, however, some strength returns to mining, and the region's overall economy is also supported by construction of defence-related installations and an increase in public administration spending.

Growth hovers at between 2-3 per cent in the first half of the decade, but moves closer to 3 per cent once construction begins in the late 1990s of a pipeline to move oil south.

John N. Appleby
Paul Rodway

Gross Domestic Product
Millions of 1971 Constant Dollars

Post II-89 Reference Forecast	1990	1991	1992	1993	90-94	95-00
	Average Annual Rates of Growth					
Canada	1.4	2.5	2.1	2.8	2.3	2.1
Newfoundland	-1.4	2.2	5.1	4.1	2.6	3.4
Prince Edward Island	-2.2	3.4	3.0	0.7	0.9	1.1
Nova Scotia	0.5	1.4	0.9	1.6	1.2	1.3
New Brunswick	1.2	6.2	3.7	2.8	2.9	1.2
Quebec	1.2	2.8	2.6	3.0	2.5	1.9
Ontario	1.0	3.4	2.4	3.3	2.7	2.4
Manitoba	1.9	0.2	1.6	1.4	1.6	1.3
Saskatchewan	3.5	1.1	-0.2	1.1	1.5	1.3
Alberta	2.3	1.9	1.2	2.3	2.1	2.2
British Columbia	1.7	0.5	1.4	2.1	1.7	2.2
Territories	1.2	2.7	2.2	3.5	2.6	2.8

Employment, Labour Force Survey Basis
Thousands

Post II-89 Reference Forecast	1990	1991	1992	1993	90-94	95-00
	Average Annual Rates of Growth					
Canada	0.5	1.1	1.0	1.3	1.1	1.2
Newfoundland	-3.1	-0.4	3.0	3.7	1.2	1.8
Prince Edward Island	-1.4	2.5	2.2	-0.4	0.6	0.5
Nova Scotia	-0.2	-0.7	-0.5	0.0	-0.2	0.2
New Brunswick	0.9	5.2	2.9	1.7	2.0	0.3
Quebec	0.0	1.3	1.4	1.5	1.2	1.1
Ontario	0.5	1.8	1.3	1.9	1.5	1.5
Manitoba	1.1	-1.1	-0.1	-0.4	0.1	0.3
Saskatchewan	2.1	0.5	-2.0	-0.9	0.0	0.5
Alberta	1.1	0.7	0.3	0.4	0.6	1.3
British Columbia	1.1	-0.6	0.6	1.0	0.8	1.5

Unemployment Rates
Average Levels in Per Cent

Post II-89 Reference Forecast	1990	1991	1992	1993	90-94	95-00
Canada	8.4	8.3	8.6	8.4	8.3	7.2
Newfoundland	18.2	18.2	17.3	15.8	16.9	13.4
Prince Edward Island	14.8	14.4	14.3	14.5	14.5	14.1
Nova Scotia	10.8	11.2	11.7	11.8	11.4	11.0
New Brunswick	12.9	11.4	11.2	11.2	11.8	12.4
Quebec	10.3	10.2	10.4	10.3	10.2	9.1
Ontario	6.3	6.1	6.5	6.3	6.2	5.1
Manitoba	7.9	8.7	9.1	9.2	8.7	7.4
Saskatchewan	7.5	7.3	8.0	8.0	7.7	6.2
Alberta	7.6	7.3	7.5	7.5	7.4	6.2
British Columbia	10.0	10.4	10.9	10.8	10.5	9.2

**MAJOR ECONOMIC INDICATORS
MAJOR ASSUMPTIONS**

Post-Workshop 2-89 Reference	1990	1991	1992	1993	1994	95-00	
Average Annual Rates of Growth							
*** U.S. Assumptions ***							
GNPUS	Gross Nat. Prod. (Bn \$C)	6.10	6.60	6.90	6.85	7.24	6.93
QGPKUS	Gross Nat. Prod. (Bn \$72)	1.82	2.21	2.56	2.64	2.71	2.49
QUCEN	Pers. Exp. - Non-Dur (Bn \$72)	1.40	1.30	0.93	1.19	1.82	2.17
QUCEDA	Pers. Exp. - Autos (Bn \$72)	-3.60	3.30	0.84	2.20	2.12	2.84
QGDPUS	GNP Deflator ('72=1)	4.20	4.30	4.24	4.10	4.41	4.33
QUPDCE	Personal Cons. Defl. ('72=1)	4.79	4.82	4.44	4.11	4.23	4.03
QPCP	Prime Comm. Paper Rate (%) (a)	7.76	7.74	7.25	6.54	6.33	6.03
QTR	Total Bond Rate (%) (a)	8.74	8.69	8.52	7.94	7.61	7.11

QIPEEC	Indus. Prod. Ind.-EEC ('71=1)	2.61	2.77	2.69	2.65	2.85	2.78
QIPJAP	Indus. Prod. Ind.-JAP ('71=1)	4.20	3.80	4.10	4.60	4.70	4.22
QOPARG	Persian Gulf Price Oil-\$US	0.00	5.77	6.38	6.70	6.75	6.31
QOPARC	Persian Gulf Price Oil-\$CAN	2.07	9.07	6.37	6.70	6.74	5.59
QERBAL	CAN Energy Trade Bal. (Mn \$C) (a)	7452	8085	8571	9374	10236	13693
QOILBL	CAN Oil Trade Bal. (Mn \$C) (a)	1092	926	557	224	169	502
QNETIM	Net Immigration ('000) (a)	110.00	90.00	80.00	80.00	80.00	85.00
QFERTE	General Fertility Rate (%) (a)	52.33	51.59	50.86	50.14	49.47	47.59

(a) Average

MAJOR ECONOMIC INDICATORS

Post-Workshop 2-89 Reference	1990	1991	1992	1993	1994	95-00
Average Annual Rates of Growth						
*** Gross National Expenditure ***						
QGNPC Value	5.49	8.23	5.61	5.29	5.27	5.45
QPGNE Price	4.63	5.31	3.20	2.21	2.02	3.11
QGNEXK Volume	0.83	2.77	2.33	3.01	3.19	2.28
*** Volumes (Mn\$71) ***						
QCZK Consumption Expenditure	1.21	0.88	1.56	1.73	1.80	1.67
QCDURK Durables	0.39	0.78	1.38	1.80	1.88	1.67
QOTHER Other	1.42	0.91	1.61	1.71	1.78	1.67
QGVEXK Government Expenditure	1.69	1.55	1.64	1.53	2.12	1.82
QGCURK Current	1.66	1.45	1.53	1.27	2.06	1.78
QGFICK Capital	1.82	2.10	2.23	2.98	2.48	2.03
QBUINN Business Investment	2.31	3.16	3.47	5.05	5.43	3.29
QIR Residential	-1.33	-0.42	0.35	1.50	1.32	0.83
QCINP Nonresidential	3.58	4.36	4.47	6.13	6.63	3.92
QTVPCK Inventory Change (a)	858	1679	1862	2146	2385	1713
QNTXPK Net Exports (a)	-3748	-2392	-1964	-1164	-392	1919
QXPTXK Exports	1.57	3.37	3.41	3.68	3.42	3.11
QIMPMK Imports	0.61	0.75	2.51	2.18	2.06	2.21
*** Labour Market ***						
QLBFOR Labour Force (a)	13681.75	13821.17	14007.64	14167.34	14325.58	14840.90
QTEET Employment (a)	12539.94	12680.28	12803.56	12974.21	13170.95	13775.63
QUT Unemployment (a)	1141.81	1140.88	1204.08	1193.13	1154.63	1065.27
QURATE Unemployment Rate (%) (a)	8.35	8.25	8.60	8.42	8.06	7.18
*** Wages and Prices ***						
QTEWET Wage & Salary/Employee (\$C)	5.13	6.22	4.86	3.93	3.79	4.47
QTEYET Output per Employee (\$71)	0.83	1.40	1.14	1.44	1.38	0.90
QPRULC Priv. Non-Agr Unit Lab. Cost	4.27	4.59	3.55	2.28	2.20	3.36
QINPMP Impl. Deflator of Imports	6.01	7.55	4.52	4.24	4.35	3.45
QTEP Implicit Output Deflator	4.01	5.39	2.86	2.10	2.00	3.05
QCPI Consumer Price Index	4.85	6.45	3.30	2.56	2.42	3.39
*** Incomes ***						
QYDPOP Disposable Income/Capita (\$71)	-0.54	-0.71	1.22	1.43	1.35	1.04
QCP Corporate Profits (\$C)	0.64	9.84	-7.23	1.84	7.70	3.68
Government Balances (Mn\$C)						
QGOBAL All-Governments (a)	-19149.5	-12160.2	-6902.6	-4796.9	-3409.4	4908.2
QGBALF Federal (a)	-19023.8	-12662.0	-7455.7	-5526.0	-4919.3	1031.8
QGBALJ Non-Federal (a)	-125.7	501.8	553.2	729.1	1509.8	3876.3
QCBAL Current Account Balance (a)	-17926.4	-13833.2	-14192.5	-12948.9	-11947.5	-5591.7
*** Financial ***						
QREXNC Exchange Rate (US/CAN) (a)	82.50	80.00	80.01	80.00	80.01	81.68
QCNPCP Prime Comm. Paper Rate (a)	12.00	10.14	8.75	7.54	7.33	7.03
QRINDB Industrial Bond Rate (a)	11.94	10.79	10.02	8.94	8.11	7.61

(a) Average

**FORESTRY AND FOREST PRODUCTS
MAJOR INDICATORS**

Post-Workshop 2-89 Reference	1990	1991	1992	1993	1994	1995-00
Average Annual Rates of Growth						
INDICATIONS OF DEMAND (\$71 Mn.)						
Final Demand						
Consum. Exp. Non-dur. Household	1.31	1.28	1.84	2.25	2.49	2.11
Wood Exports	0.00	0.37	-0.30	-0.29	-0.11	0.01
Other Sect. III Exports	0.80	1.21	1.89	1.87	1.80	1.24
Lumber Exports	0.03	6.92	1.45	1.87	2.60	2.95
Pulp Exports	2.46	2.00	3.36	3.57	3.59	3.04
Newsprint Exports	3.14	1.27	3.00	3.50	4.04	2.98
Paper Exports	-0.38	2.68	3.31	4.36	4.90	5.28
Wood Imports	5.22	1.27	1.59	4.38	1.99	3.66
Other Sect. IV Imports	3.49	3.86	4.09	3.91	2.91	2.57
Intermediate Industry Requirements						
Furniture Manufacture	1.17	3.45	3.20	3.56	4.85	2.99
Food-Processing Manufacture	-0.61	2.00	1.91	1.99	1.73	1.34
Tobacco Manufacture	-21.59	-1.37	-2.01	-2.30	-2.95	-3.81
Printing & Publishing	1.75	2.80	1.56	2.43	2.96	1.91
INDICATIONS OF INDUSTRY ACTIVITY						
Gross Domestic Product (\$71 Mn.)						
Forestry	-1.06	3.30	2.40	3.08	3.90	2.61
Wood Products Manufacture	-1.59	4.35	1.49	2.47	3.00	2.39
Pulp & Paper	2.09	2.69	3.21	3.83	4.21	3.14
Paper Converters	0.30	3.77	2.59	3.26	3.49	2.08
Factory Gate Prices (1971=1)						
Forestry	3.98	12.13	3.02	1.57	1.81	2.71
Wood Products Manufacture	4.57	12.37	3.27	2.05	1.26	2.49
Pulp & Paper	0.33	15.68	2.27	1.17	-0.41	1.70
Paper Converters	0.01	16.25	2.17	1.16	-0.61	1.56
Export Prices (1971=1)						
Wood	0.44	7.72	5.04	1.40	4.13	4.14
Other Sect. III	6.13	7.80	4.40	4.16	4.33	3.41
Lumber	6.89	8.41	3.39	3.67	3.32	2.75
Pulp	1.73	8.62	2.43	1.46	0.36	1.92
Newsprint	2.14	8.78	2.20	1.29	0.32	1.72
Paper	2.01	9.25	2.42	1.43	0.32	1.89
Investment (\$71 Mn.)						
Forestry	-1.81	29.25	15.89	14.92	12.98	4.19
Wood Products Manufacture	2.78	8.24	13.58	11.04	5.81	1.22
Pulp & Paper	11.44	3.07	0.57	2.95	2.65	2.78
Paper Converters	-5.87	-18.71	-9.39	-13.20	0.54	-2.09
Capital to Output Ratio						
Forestry (a)	2.0	2.0	2.0	2.0	2.0	2.1
Wood Products Manufacture (a)	2.9	2.9	3.1	3.1	3.2	3.5
Pulp & Paper (a)	9.1	9.7	10.2	10.7	11.2	12.8
Paper Converters (a)	2.3	2.4	2.4	2.4	2.4	2.5

(a) Average

**FORESTRY AND FOREST PRODUCTS
MAJOR INDICATORS**

Post-Workshop 2-89 Reference	1990	1991	1992	1993	1994	1995-00
Average Annual Rates of Growth						
INDICATIONS OF INDUSTRY ACTIVITY (continued)						
Employment ('000s)						
Forestry	-0.15	0.13	0.06	0.15	0.40	0.42
Wood Products Manufacture	-4.24	-0.17	-1.97	-1.69	-1.14	-1.20
Pulp & Paper	1.71	1.43	1.47	2.35	2.87	2.45
Paper Converters	-0.58	1.96	1.41	2.43	2.90	1.69
Labour Productivity (\$71 Mn. per Person-Year)						
Forestry	-0.91	3.16	2.34	2.93	3.48	2.18
Wood Products Manufacture	2.77	4.52	3.53	4.23	4.19	3.64
Pulp & Paper	0.37	1.24	1.71	1.45	1.31	0.67
Paper Converters	0.88	1.78	1.16	0.82	0.57	0.38
Capital to Labour Ratio						
Forestry (a)	27.1	27.5	28.3	29.1	30.0	34.5
Wood Products Manufacture (a)	37.5	39.6	42.8	45.8	48.9	59.8
Pulp & Paper (a)	170.7	184.2	197.3	210.2	222.3	260.0
Paper Converters (a)	34.8	36.0	37.0	37.6	38.1	38.9
INDICATIONS OF COSTS (1971=1)						
Prices of Material Inputs						
Petroleum & Coal Products	3.42	10.26	7.29	6.73	6.56	6.06
Industrial Chemicals	2.97	13.17	3.53	2.73	3.22	3.14
Other Chemicals	3.03	13.72	3.05	2.20	2.65	2.63
Electric Power	1.59	9.30	0.90	-0.47	-0.47	1.30
Motor Transport Services	3.46	13.20	3.06	1.94	1.68	2.98
Wholesale Services	5.80	12.02	3.14	1.87	1.31	3.23
Financial Services	3.81	10.41	1.72	0.46	0.17	2.12
Business Services	3.22	11.61	2.88	2.03	2.11	3.47
Office & Laboratory Services	4.20	12.79	3.02	2.25	2.04	2.70
Labour Inputs						
-Wages per Person-Year (\$C)						
Forestry	5.23	6.10	5.11	3.93	3.69	4.19
Manufacturing	7.24	6.99	6.05	4.53	4.16	4.54
-Unit Labour Costs (1971=1)						
Forestry	6.19	2.85	2.70	0.97	0.21	1.97
Manufacturing	4.78	3.13	3.36	1.47	1.30	2.37
Capital Costs						
-Investment Deflators						
Forestry	4.40	1.56	3.57	2.60	2.41	2.82
Wood Products Manufacture	4.99	-0.32	3.77	3.03	3.04	2.96
Pulp & Paper	3.92	1.84	3.27	2.57	2.43	2.53
Paper Converters	3.88	2.08	2.90	1.98	2.30	2.60

(a) Average

APPENDIX C
DIRECT IMPACT ASSUMPTIONS

NATIONAL ASSUMPTIONS

Effluent Req.	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Impact										
(in millions of 1989 dollars)										
Total Pulp & Paper Investment Costs	760.8	760.8	760.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Machinery & Equipment	190.4	190.4	190.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Structures	570.3	570.3	570.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Annual Operating Costs	70.2	140.3	210.5	210.5	210.5	210.5	210.5	210.5	210.5	210.5
Total Material Costs	68.0	136.1	203.7	202.9	201.3	200.1	199.2	198.8	198.5	198.2
Electric Power	11.9	23.9	35.8	35.8	35.8	35.8	35.8	35.8	35.8	35.8
Industrial Chemicals	23.0	46.0	69.0	69.0	69.0	69.0	69.0	69.0	69.0	69.0
Transport	5.1	10.2	15.3	15.3	15.3	15.3	15.3	15.3	15.3	15.3
Intra-Industry	28.0	56.1	83.7	82.9	81.3	80.0	79.1	78.7	78.4	78.1
Total Wages & Salaries	2.2	4.2	6.8	7.6	9.2	10.4	11.3	11.7	12.0	12.3
Number Person/Years	124.7	249.3	374.0	374.0	374.0	374.0	374.0	374.0	374.0	374.0
Effluent Req.	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
% Impact										
(in millions of 1989 dollars)										
Total Pulp & Paper Investment Costs	11.17	11.11	10.80	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Machinery & Equipment	3.32	3.31	3.25	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Structures	53.09	52.21	48.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Annual Operating Costs	0.09	0.17	0.25	0.24	0.23	0.23	0.22	0.22	0.22	0.21
Total Material Costs	0.98	1.90	2.75	2.64	2.53	2.44	2.37	2.30	2.24	2.19
Electric Power	0.08	0.15	0.22	0.21	0.21	0.20	0.20	0.19	0.19	0.19
Industrial Chemicals	0.23	0.45	0.64	0.61	0.59	0.57	0.55	0.54	0.53	0.52
Transport	0.03	0.05	0.08	0.08	0.08	0.07	0.07	0.07	0.07	0.07
Intra-Industry	0.16	0.31	0.45	0.43	0.40	0.39	0.37	0.36	0.35	0.34
Total Wages & Salaries	0.00	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01
Number Person/Years	0.14	0.28	0.42	0.41	0.39	0.38	0.37	0.37	0.36	0.35

PROVINCIAL ASSUMPTIONS (continued)

Effluent Req.	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
% Impact										
(in millions of 1989 dollars)										
Material Input Costs										
Canada	0.01	0.02	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03
Newfoundland	0.03	0.05	0.08	0.08	0.07	0.07	0.06	0.06	0.06	0.06
Prince Edward Island	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Nova Scotia	0.02	0.04	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.05
New Brunswick	0.04	0.07	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.09
Quebec	0.02	0.04	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.05
Ontario	0.01	0.01	0.02	0.02	0.01	0.01	0.01	0.01	0.01	0.01
Manitoba	0.01	0.01	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02
Saskatchewan	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Alberta	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
British Columbia	0.03	0.05	0.08	0.08	0.08	0.07	0.07	0.07	0.07	0.07
Operating Costs in Number Person/Years										
Canada	0.14	0.28	0.42	0.41	0.39	0.38	0.37	0.37	0.36	0.35
Newfoundland	0.22	0.45	0.67	0.68	0.68	0.68	0.68	0.68	0.68	0.69
Prince Edward Island	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Nova Scotia	0.18	0.37	0.56	0.57	0.57	0.57	0.58	0.58	0.59	0.59
New Brunswick	0.20	0.41	0.62	0.63	0.64	0.64	0.65	0.65	0.66	0.66
Quebec	0.18	0.36	0.55	0.55	0.55	0.55	0.55	0.55	0.55	0.55
Ontario	0.11	0.23	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35
Manitoba	0.40	0.81	1.22	1.22	1.22	1.22	1.22	1.22	1.22	1.22
Saskatchewan	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Alberta	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
British Columbia	0.13	0.23	0.31	0.28	0.25	0.23	0.21	0.20	0.19	0.18

PROVINCIAL ASSUMPTIONS

Effluent Reg.	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
	Impact									
(in millions of current dollars)										
Manufacturing Machinery & Equipment Investment Costs										
Canada	202.4	209.1	214.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Newfoundland	8.0	8.3	8.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Prince Edward Island	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Nova Scotia	7.6	7.9	8.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
New Brunswick	11.9	12.3	12.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Quebec	88.8	91.7	94.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Ontario	31.3	32.4	33.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Manitoba	2.4	2.4	2.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Saskatchewan	0.6	0.7	0.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Alberta	0.6	0.7	0.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0
British Columbia	51.1	52.8	54.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Manufacturing Structures Investment Costs										
Canada	605.7	625.0	638.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Newfoundland	24.1	24.9	25.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Prince Edward Island	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Nova Scotia	22.8	23.5	24.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
New Brunswick	35.7	36.8	37.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Quebec	266.1	274.6	280.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Ontario	92.8	95.8	97.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Manitoba	7.1	7.3	7.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Saskatchewan	1.9	2.0	2.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Alberta	1.9	1.9	2.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
British Columbia	153.3	158.2	161.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Material Input Costs										
Canada	77.3	159.6	244.7	249.6	255.2	261.7	269.1	278.1	288.4	299.9
Newfoundland	2.3	4.7	7.2	7.4	7.5	7.7	7.9	8.2	8.5	8.8
Prince Edward Island	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Nova Scotia	3.0	6.2	9.5	9.7	9.9	10.2	10.5	10.8	11.2	11.7
New Brunswick	4.4	9.1	13.9	14.2	14.5	14.9	15.3	15.9	16.4	17.1
Quebec	32.0	66.0	101.2	103.3	105.6	108.3	111.4	115.1	119.3	124.1
Ontario	14.3	29.5	45.2	46.1	47.2	48.4	49.7	51.4	53.3	55.4
Manitoba	1.5	3.0	4.6	4.7	4.8	5.0	5.1	5.3	5.5	5.7
Saskatchewan	0.1	0.3	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.6
Alberta	0.1	0.3	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.6
British Columbia	19.6	40.4	62.0	63.2	64.6	66.3	68.1	70.4	73.0	75.9

PROVINCIAL ASSUMPTIONS

Dioxin & Furan Reg., Option B	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Impact										
(in millions of current dollars)										
Manufacturing Machinery & Equipment Investment Costs										
Canada	98.5	101.7	104.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Newfoundland	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Prince Edward Island	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Nova Scotia	1.3	1.3	1.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0
New Brunswick	9.2	9.5	9.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Quebec	20.2	20.8	21.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Ontario	15.0	15.5	15.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Manitoba	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Saskatchewan	1.1	1.2	1.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Alberta	2.5	2.6	2.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0
British Columbia	49.2	50.8	52.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Manufacturing Structures Investment Costs										
Canada	147.6	152.3	155.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Newfoundland	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Prince Edward Island	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Nova Scotia	2.0	2.0	2.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
New Brunswick	13.7	14.2	14.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Quebec	30.2	31.2	31.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Ontario	22.5	23.2	23.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Manitoba	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Saskatchewan	1.7	1.8	1.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Alberta	3.8	3.9	4.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
British Columbia	73.7	76.0	77.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Material Input Costs										
Canada	38.6	79.7	122.2	124.6	127.4	130.7	134.4	138.9	144.0	149.7
Newfoundland	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Prince Edward Island	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Nova Scotia	0.4	0.9	1.4	1.4	1.5	1.5	1.5	1.6	1.6	1.7
New Brunswick	2.8	5.8	8.8	9.0	9.2	9.4	9.7	10.0	10.4	10.8
Quebec	7.1	14.6	22.4	22.9	23.4	24.0	24.7	25.5	26.4	27.5
Ontario	4.1	8.4	12.9	13.2	13.5	13.8	14.2	14.7	15.2	15.8
Manitoba	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Saskatchewan	0.7	1.4	2.1	2.1	2.2	2.2	2.3	2.4	2.5	2.6
Alberta	0.7	1.4	2.2	2.3	2.3	2.4	2.4	2.5	2.6	2.7
British Columbia	22.8	47.2	72.3	73.8	75.4	77.3	79.5	82.2	85.2	88.6

PROVINCIAL ASSUMPTIONS

Dioxin & Furan Reg., Option C	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
	Impact									
(in millions of current dollars)										
Manufacturing Machinery & Equipment Investment Costs										
Canada	131.3	135.7	139.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Newfoundland	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Prince Edward Island	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Nova Scotia	1.3	1.3	1.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0
New Brunswick	9.4	9.7	10.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Quebec	23.5	24.3	25.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Ontario	21.9	22.6	23.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Manitoba	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Saskatchewan	1.1	1.2	1.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Alberta	4.5	4.7	4.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0
British Columbia	69.5	71.8	73.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Manufacturing Structures Investment Costs										
Canada	196.8	203.1	207.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Newfoundland	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Prince Edward Island	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Nova Scotia	2.0	2.0	2.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
New Brunswick	14.1	14.6	14.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Quebec	35.3	36.4	37.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Ontario	32.8	33.9	34.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Manitoba	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Saskatchewan	1.7	1.8	1.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Alberta	6.8	7.0	7.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0
British Columbia	104.2	107.5	109.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Material Input Costs										
Canada	3.8	7.9	12.1	12.3	12.6	12.9	13.3	13.7	14.2	14.8
Newfoundland	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Prince Edward Island	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Nova Scotia	0.4	0.9	1.4	1.4	1.5	1.5	1.5	1.6	1.6	1.7
New Brunswick	1.1	2.4	3.6	3.7	3.8	3.9	4.0	4.1	4.2	4.4
Quebec	-0.4	-0.8	-1.3	-1.3	-1.3	-1.4	-1.4	-1.5	-1.5	-1.6
Ontario	-0.5	-1.1	-1.6	-1.7	-1.7	-1.7	-1.8	-1.8	-1.9	-2.0
Manitoba	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Saskatchewan	0.7	1.4	2.1	2.1	2.2	2.2	2.3	2.4	2.5	2.6
Alberta	-0.4	-0.8	-1.3	-1.3	-1.3	-1.4	-1.4	-1.5	-1.5	-1.6
British Columbia	2.9	6.0	9.2	9.4	9.6	9.8	10.1	10.4	10.8	11.3

PROVINCIAL ASSUMPTIONS

Dioxin & Furan Reg., Option D	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Impact										
(in millions of current dollars)										
Manufacturing Machinery & Equipment Investment Costs										
Canada	228.9	236.5	243.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Newfoundland	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Prince Edward Island	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Nova Scotia	1.3	1.3	1.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0
New Brunswick	12.8	13.2	13.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Quebec	42.1	43.5	44.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Ontario	38.5	39.8	40.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Manitoba	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Saskatchewan	1.1	1.2	1.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Alberta	8.6	8.8	9.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
British Columbia	124.5	128.6	132.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Manufacturing Structures Investment Costs										
Canada	343.1	354.0	361.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Newfoundland	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Prince Edward Island	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Nova Scotia	2.0	2.0	2.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
New Brunswick	19.2	19.8	20.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Quebec	63.1	65.1	66.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Ontario	57.7	59.6	60.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Manitoba	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Saskatchewan	1.7	1.8	1.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Alberta	12.8	13.2	13.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0
British Columbia	186.6	192.5	196.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Material Input Costs										
Canada	-16.6	-34.2	-52.4	-53.5	-54.7	-56.1	-57.7	-59.6	-61.8	-64.3
Newfoundland	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Prince Edward Island	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Nova Scotia	0.4	0.9	1.4	1.4	1.5	1.5	1.5	1.6	1.6	1.7
New Brunswick	0.4	0.8	1.3	1.3	1.3	1.4	1.4	1.5	1.5	1.6
Quebec	-4.8	-10.0	-15.3	-15.7	-16.0	-16.4	-16.9	-17.4	-18.1	-18.8
Ontario	-3.9	-8.0	-12.2	-12.5	-12.7	-13.1	-13.4	-13.9	-14.4	-15.0
Manitoba	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Saskatchewan	0.7	1.4	2.1	2.1	2.2	2.2	2.3	2.4	2.5	2.6
Alberta	-1.1	-2.3	-3.5	-3.6	-3.6	-3.7	-3.8	-4.0	-4.1	-4.3
British Columbia	-8.3	-17.1	-26.2	-26.7	-27.3	-28.0	-28.8	-29.7	-30.8	-32.1

PROVINCIAL ASSUMPTIONS

Dioxin & Furan Reg., Comp. Opt.	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
	Impact									
(in millions of current dollars)										
Manufacturing Machinery & Equipment Investment Costs										
Canada	144.4	149.2	153.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Newfoundland	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Prince Edward Island	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Nova Scotia	1.3	1.3	1.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0
New Brunswick	9.4	9.7	10.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Quebec	29.9	30.9	31.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Ontario	25.2	26.0	26.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Manitoba	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Saskatchewan	1.1	1.2	1.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Alberta	4.5	4.7	4.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0
British Columbia	72.9	75.3	77.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Manufacturing Structures Investment Costs										
Canada	216.4	223.3	227.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Newfoundland	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Prince Edward Island	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Nova Scotia	2.0	2.0	2.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
New Brunswick	14.1	14.6	14.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Quebec	44.9	46.3	47.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Ontario	37.7	38.9	39.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Manitoba	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Saskatchewan	1.7	1.8	1.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Alberta	6.8	7.0	7.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0
British Columbia	109.2	112.7	115.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Material Input Costs										
Canada	0.4	0.9	1.4	1.4	1.5	1.5	1.5	1.6	1.6	1.7
Newfoundland	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Prince Edward Island	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Nova Scotia	0.4	0.9	1.4	1.4	1.5	1.5	1.5	1.6	1.6	1.7
New Brunswick	1.1	2.4	3.6	3.7	3.8	3.9	4.0	4.1	4.2	4.4
Quebec	-2.0	-4.1	-6.3	-6.4	-6.5	-6.7	-6.9	-7.1	-7.4	-7.7
Ontario	-1.5	-3.0	-4.6	-4.7	-4.8	-5.0	-5.1	-5.3	-5.5	-5.7
Manitoba	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Saskatchewan	0.7	1.4	2.1	2.1	2.2	2.2	2.3	2.4	2.5	2.6
Alberta	-0.4	-0.8	-1.3	-1.3	-1.3	-1.4	-1.4	-1.5	-1.5	-1.6
British Columbia	2.1	4.2	6.5	6.6	6.8	7.0	7.2	7.4	7.7	8.0

APPENDIX D
EXPORT ELASTICITIES, ECONOMETRIC RESULTS

The following equations document estimated export elasticities:

XPLPUK Exports, Pulp Etc., U.S., \$81

$$\begin{aligned} XPLPUK = & \text{EXP}(B + B * (\text{ALOG}(\text{MPTIIU}) - D790N * \text{ALOG}(\text{MPTIIU})) + B * D790N * \\ & \text{ALOG}((XPLPUP * (1 + TPLPUR/100)) / (\text{LMWPQU} * \text{REXCUI})) + \\ & B * \text{ALOG}(((\text{MPIWAC} + \text{MP1SLC}) / \text{MP1YGK}) / (\text{WGPUI} * \text{REXCUI}))) \end{aligned}$$

B(01)=-0.8998836 [-0.85] B(02)= 0.9693372 [15.88]
B(03)=-0.4310358 [-16.36] B(04)=-0.4047801 [-4.62]
RB2=0.94 DW=1.41 S.E.E.= 0.0443564 AAPE= 0.41
1961-1985

XPLPRK Exports, Pulp Etc., other than U.S., \$81

$$\begin{aligned} XPLPRK = & \text{EXP}(B + B * D800N + B * (\text{ALOG}(\text{INDP5I}) - D800N * \text{ALOG}(\text{INDP5I})) + B * D800N * \\ & \text{ALOG}((XPLPRP * (1 + TPLPRR/100)) / (\text{GDP5P} * \text{REXC5I}))) \end{aligned}$$

B(01)=-1.4790111 [-2.24] B(02)= 6.8838243 [6.91]
B(03)= 1.9606765 [13.15] B(04)=-0.4659137 [-2.87]
RB2=0.95 DW=2.86 S.E.E.= 0.0615710 AAPE= 0.65
1968-1986

XNSPUK Exports, Newsprint Paper, U.S., \$81

$$\begin{aligned} XNSPUK = & \text{EXP}(B + B * \text{ALOG}(\text{MPRIIU}) + \\ & B * \text{ALOG}((XNSPUP * (1 + TNSPUR/100)) / (\text{PLPPQU} * \text{REXCUI})) + \\ & B * D820N * \text{ALOG}((XNSPUP * (1 + TNSPUR/100)) / (\text{PLPPQU} * \text{REXCUI}))) \end{aligned}$$

B(01)=-2.1690198 [-1.41] B(02)= 0.6383351 [12.04]
B(03)=-0.7116620 [-5.46] B(04)= 0.0126554 [5.31]
RB2=0.92 DW=2.19 S.E.E.= 0.0352133 AAPE= 0.33
1961-1987

XNSPRK Exports, Newsprint Paper, other than U.S., \$81

$$\begin{aligned} XNSPRK = & \text{EXP}(B + B * (\text{ALOG}(\text{GDP5I}) - D780N * \text{ALOG}(\text{GDP5I})) + \\ & B * D780N * \text{ALOG}((XNSPRP * (1 + TNSPRR/100)) / (\text{GDP5P} * \text{REXC5I}))) \end{aligned}$$

B(01)= 3.4753251 [7.92] B(02)= 0.6877638 [6.87]
B(03)=-0.7050950 [-7.22]
RB2=0.70 DW=1.66 S.E.E.= 0.1154283 AAPE= 1.26
1961-1986

XPAPUK Exports, Other Papers, U.S., \$81

$$\begin{aligned} XPAPUK = & \text{EXP}(B + B * \text{ALOG}(\text{MPRIIU}) + B * D780N * \text{ALOG}(\text{MPRIIU}) + \\ & B * D780N * \text{ALOG}((XPAPUP * (1 + TPAPUR/100)) / (\text{PLPPQU} * \text{REXCUI}))) \end{aligned}$$

B(01)=-10.329326 [-3.68] B(02)= 3.5673562 [5.69]
B(03)=-2.4726568 [-3.22] B(04)=-1.1321671 [-3.42]
RB2=0.96 DW=1.39 S.E.E.= 0.1128500 AAPE= 1.22
1969-1987

XPAPRK Exports, Other Papers, other than U.S., \$81

$$\begin{aligned} XPAPRK = & \text{EXP}(B + B * (\text{ALOG}(\text{GDP5I}) - D790N * \text{ALOG}(\text{GDP5I})) + \\ & B * D790N * \text{ALOG}((XPAPRP * (1 + TPAPRR/100)) / (\text{GDP5P} * \text{REXC5I})) + \\ & B * (\text{ALOG}(((\text{MPTWAC} + \text{MPTSLC}) / \text{MPTYGK}) / (\text{WGP5I} * \text{REXC5I})))) \end{aligned}$$

B(01)=-1.8167946 [-1.72] B(02)= 0.9430257 [5.32]
B(03)=-0.9181858 [-5.20] B(04)=-0.3428849 [-2.59]
RB2=0.78 DW=1.97 S.E.E.= 0.0956785 AAPE= 1.13
1966-1985

Mnemonics used to describe variables within these equations are:

Mnemonic Description

D78ON	Dummy for 1978 On
D79ON	Dummy for 1979 On
D80ON	Dummy for 1980 On
D82ON	Dummy for 1982 On
GDPM5I	Gross Domestic Product, Major 5, Index (80=100)
GDPM5P	Gross Domestic Product, Major 5, Price (80=1.0)
INDP5I	Industrial Production, Major 5, Index (80=100)
LMWPQU	Lumber and Wood Prod., PPI, Pr Index (67=100), U.S
MP1SLC	Paper & Allied- Pulp & Paper Supl. Labour Inc. \$C
MP1WAC	Paper & Allied- Pulp & Paper Wage Income \$C
MP1YGK	Paper & Allied- Pulp & Paper Gross Dom. Prod. \$81
MPRIIU	Printing and Publ., Ind. Prod, Index (1977=100), U.S
MPTIIU	Paper and Allied, Ind. Prod, Index (1977=100), U.S
MPTSLC	Paper & Allied- Total Supl. Labour Inc. \$C
MPTWAC	Paper & Allied- Total Wage Income \$C
MPTYGK	Paper & Allied- Total Gross Dom. Prod. \$81
PLPPQU	Pulp and Paper, PPI, Pr Index (67=100), U.S
REXC5I	Exchange Rate, CDN\$/G5(G7 ex Can+U.S.), Index
REXCUI	Exchange Rate, CDN\$/US\$, Index
TNSPRR	Export Tariffs, Newsprint Paper, other than U.S., Rate
TNSPUR	Export Tariffs, Newsprint Paper, U.S., Rate
TPAPRR	Export Tariffs, Other Papers, other than U.S., Rate
TPAPUR	Export Tariffs, Other Papers, U.S., Rate
TPLPRR	Export Tariffs, Pulp Etc., other than U.S., Rate
TPLPUR	Export Tariffs, Pulp Etc., U.S., Rate
WGDP5I	Wage Costs/GDPK, Major 5, Index (80=100)
WGDPUI	Wage Costs/GDPK, U.S, Index (80=100)
XNSPRK	Exports, Newsprint Paper, other than U.S., \$81
XNSPRP	Exports, Newsprint Paper, other than U.S., Pr. Index (81=1.
XNSPUK	Exports, Newsprint Paper, U.S., \$81
XNSPUP	Exports, Newsprint Paper, U.S., Pr. Index (81=1.0)
XPAPRK	Exports, Other Papers, other than U.S., \$81
XPAPRP	Exports, Other Papers, other than U.S., Pr. Index (81=1.0)
XPAPUK	Exports, Other Papers, U.S., \$81
XPAPUP	Exports, Other Papers, U.S., Pr. Index (81=1.0)
XPLPRK	Exports, Pulp Etc., other than U.S., \$81
XPLPRP	Exports, Pulp Etc., other than U.S., Pr. Index (81=1.0)
XPLPUK	Exports, Pulp Etc., U.S., \$81
XPLPUP	Exports, Pulp Etc., U.S., Pr. Index (81=1.0)

Operators used to describe these equations are:

Operator Description

EXP(Y)	Exponentiation; equivalent to e^y ,
ALOG(Y)	Natural logarithm; equivalent to $\ln(Y)$,
X+Y	Addition of X and Y,
X-Y	Subtraction of Y from X,
X/Y	Division of X by Y,
X*Y	Multiplication of X by Y,

The purpose of the coefficient listing is to provide values for coefficients (B's) in the equations. The value of each coefficient B_i , ($i=1,n$) is listed followed by its corresponding t-statistic in square brackets. The coefficients are assigned to the B's of the equation in the order in which they are found in the equation. Summary statistics for estimated equations are also provided and include:

RB2 - R-Bar Squared
DW - Durbin Watson statistic
S.E.E. - Standard Error of Estimate
A.A.P.E. - Average Absolute Percentage Error

APPENDIX E
NATIONAL RESULTS

MAJOR ECONOMIC INDICATORS

Effluent Reg.	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
% Impact										
*** Gross National Expenditure ***										
QGNPC Value	0.15	0.14	0.14	0.02	0.06	0.09	0.09	0.10	0.10	0.10
QPGNE Price	-0.01	0.01	0.05	0.11	0.14	0.16	0.17	0.17	0.17	0.16
QGNEXK Volume	0.16	0.13	0.09	-0.09	-0.08	-0.08	-0.08	-0.07	-0.06	-0.06
*** Volumes (Mn\$71) ***										
QCZK Consumption Expenditure	0.04	0.04	0.02	-0.03	-0.04	-0.05	-0.05	-0.04	-0.03	-0.03
QCDURK Durables	0.07	0.07	0.05	-0.03	-0.05	-0.05	-0.04	-0.03	-0.02	-0.02
QOTHER Other	0.03	0.03	0.02	-0.02	-0.04	-0.05	-0.05	-0.04	-0.04	-0.03
QGVEXK Government Expenditure	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
QGCURK Current	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
QGFICK Capital	0.04	0.02	0.01	-0.04	-0.03	-0.03	-0.03	-0.03	-0.02	-0.01
QBUINN Business Investment	0.61	0.67	0.67	0.09	-0.03	-0.10	-0.10	-0.07	-0.03	-0.02
QIR Residential	0.00	0.03	0.05	0.05	0.01	-0.02	-0.03	-0.04	-0.03	-0.03
QCINP Nonresidential	0.80	0.86	0.85	0.10	-0.04	-0.12	-0.12	-0.08	-0.04	-0.02
QTFVCK Inventory Change (a)	83.1	16.0	-28.8	-118.4	-50.4	-0.9	6.6	13.8	12.2	4.1
QNTXPK Net Exports (a)	-69.9	-88.5	-106.9	-57.3	-56.0	-53.9	-59.9	-74.2	-86.6	-90.6
QXPTXK Exports	-0.02	-0.04	-0.06	-0.07	-0.08	-0.09	-0.09	-0.10	-0.10	-0.10
QIMPMK Imports	0.11	0.12	0.12	0.03	0.01	0.00	0.00	0.01	0.03	0.03
*** Labour Market ***										
QLBFOR Labour Force (a)	0.80	0.46	-0.09	-1.51	-1.89	-1.75	-1.19	-0.39	0.06	0.24
QTEET Employment (a)	12.38	13.39	12.77	-0.94	-3.53	-4.82	-5.68	-6.00	-6.13	-6.16
QUT Unemployment (a)	-11.59	-12.94	-12.87	-0.57	1.64	3.07	4.49	5.61	6.19	6.40
QURATE Unemployment Rate (%) (a)	-0.08	-0.09	-0.09	0.00	0.01	0.02	0.03	0.04	0.04	0.04
*** Wages and Prices ***										
QTEWET Wage & Salary/Employee (\$C)	0.02	0.02	0.03	0.03	0.06	0.08	0.09	0.10	0.11	0.11
QTEYET Output per Employee (\$71)	0.06	0.02	-0.01	-0.08	-0.05	-0.04	-0.03	-0.03	-0.02	-0.02
QFRULC Priv. Non-Agr Unit Lab. Cost	-0.04	-0.01	0.04	0.11	0.12	0.12	0.12	0.13	0.13	0.13
QIMPMP Impl. Deflator of Imports	0.01	0.01	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00
QTEP Implicit Output Deflator	0.00	0.03	0.07	0.12	0.15	0.17	0.17	0.17	0.17	0.17
QCPI Consumer Price Index	0.00	0.00	0.03	0.06	0.09	0.10	0.11	0.11	0.11	0.11
*** Incomes ***										
QYDPOP Disposable Income/Capita (\$71)	0.06	0.05	0.03	-0.04	-0.05	-0.05	-0.05	-0.04	-0.03	-0.03
QCP Corporate Profits (\$C)	0.26	0.08	-0.03	-0.29	0.00	0.29	0.37	0.39	0.35	0.34
Government Balances (Mn\$C)										
QGOBAL All-Governments (a)	474.0	483.7	483.3	-35.3	-50.7	-66.3	-78.2	-72.0	-79.6	-111.5
QGBALF Federal (a)	330.5	332.2	337.1	-12.1	2.3	8.4	6.1	13.9	10.2	-6.3
QGBALJ Non-Federal (a)	143.5	151.3	146.2	-23.2	-53.1	-74.8	-84.3	-85.8	-89.8	-105.1
QCRBAL Current Account Balance (a)	-199.1	-191.3	-156.7	103.4	146.7	172.7	152.7	86.2	25.5	7.4
*** Financial ***										
QREXNC Exchange Rate (US/CAN)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
QCNPFC Prime Comm. Paper Rate (a)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
QRINDB Industrial Bond Rate (a)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

(a) Level Impact

**FORESTRY AND FOREST PRODUCTS
MAJOR INDICATORS**

Effluent Reg.	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
	% Impact									
INDICATIONS OF DEMAND (\$71 Mn.)										
Final Demand										
Consum. Exp. Non-dur. Household	-0.09	-0.26	-0.48	-0.62	-0.67	-0.68	-0.65	-0.62	-0.58	-0.55
Wood Exports	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Sect. III Exports	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Lumber Exports	0.00	0.02	0.04	0.04	-0.01	-0.08	-0.15	-0.18	-0.20	-0.22
Pulp Exports	-0.26	-0.51	-0.78	-0.79	-0.80	-0.79	-0.77	-0.74	-0.72	-0.71
Newsprint Exports	-0.36	-0.72	-1.09	-1.11	-1.12	-1.11	-1.08	-1.05	-1.02	-1.01
Paper Exports	-0.63	-1.23	-1.88	-1.91	-1.93	-1.90	-1.85	-1.80	-1.75	-1.71
Wood Imports	-0.22	-0.96	-1.59	-1.98	-1.84	-1.79	-1.72	-1.65	-1.58	-1.54
Other Sect. IV Imports	0.03	0.04	0.04	0.01	0.01	0.00	0.00	0.01	0.01	0.01
Intermediate Industry Requirements										
Furniture Manufacture	0.21	0.13	0.11	-0.10	-0.07	-0.09	-0.10	-0.08	-0.07	-0.06
Food-Processing Manufacture	0.12	0.06	0.00	-0.14	-0.11	-0.07	-0.05	-0.04	-0.03	-0.04
Tobacco Manufacture	0.14	-0.01	-0.11	-0.35	-0.23	-0.16	-0.14	-0.12	-0.14	-0.18
Printing & Publishing	0.14	0.06	-0.03	-0.21	-0.19	-0.15	-0.15	-0.15	-0.15	-0.15
INDICATIONS OF INDUSTRY ACTIVITY										
Gross Domestic Product (\$71 Mn.)										
Forestry	0.18	0.15	0.05	-0.16	-0.18	-0.14	-0.16	-0.16	-0.16	-0.16
Wood Products Manufacture	0.23	0.17	0.13	-0.11	-0.08	-0.10	-0.14	-0.15	-0.15	-0.16
Pulp & Paper	-0.61	-1.78	-2.89	-3.34	-3.22	-3.10	-3.00	-2.91	-2.83	-2.77
Paper Converters	0.35	0.24	0.10	-0.31	-0.28	-0.22	-0.20	-0.18	-0.18	-0.18
Factory Gate Prices (1971=1)										
Forestry	-0.04	-0.03	0.02	0.10	0.14	0.13	0.13	0.13	0.13	0.13
Wood Products Manufacture	-0.05	-0.04	0.00	0.09	0.15	0.16	0.17	0.17	0.17	0.16
Pulp & Paper	0.79	1.57	2.40	2.46	2.48	2.45	2.38	2.32	2.25	2.20
Paper Converters	0.90	1.77	2.70	2.76	2.79	2.76	2.69	2.62	2.54	2.48
Export Prices (1971=1)										
Wood	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Sect. III	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Lumber	0.00	0.00	0.00	0.00	0.00	0.00	-0.01	-0.01	-0.01	-0.02
Pulp	0.63	1.23	1.87	1.89	1.89	1.85	1.80	1.74	1.69	1.65
Newsprint	0.56	1.11	1.69	1.71	1.71	1.68	1.63	1.58	1.54	1.51
Paper	0.64	1.25	1.91	1.93	1.93	1.90	1.84	1.78	1.73	1.69
Investment (\$71 Mn.)										
Forestry	0.25	0.19	0.08	-0.16	-0.21	-0.22	-0.22	-0.18	-0.14	-0.14
Wood Products Manufacture	0.04	0.18	0.11	0.02	-0.09	-0.05	-0.04	-0.09	-0.09	-0.09
Pulp & Paper	11.84	11.78	11.44	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Paper Converters	0.00	1.10	2.09	2.96	2.22	1.45	0.81	0.34	0.31	0.24
Capital to Output Ratio										
Forestry	-0.16	-0.13	-0.02	0.17	0.18	0.12	0.12	0.11	0.10	0.09
Wood Products Manufacture	-0.23	-0.15	-0.11	0.13	0.10	0.11	0.15	0.15	0.15	0.15
Pulp & Paper	2.01	4.40	6.58	6.78	6.41	6.05	5.76	5.50	5.27	5.06
Paper Converters	-0.35	-0.15	0.11	0.69	0.77	0.77	0.78	0.77	0.77	0.78

**FORESTRY AND FOREST PRODUCTS
MAJOR INDICATORS**

Effluent Reg.	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
& Impact										
INDICATIONS OF INDUSTRY ACTIVITY (continued)										
Employment ('000s)										
Forestry	0.04	0.07	0.06	0.00	-0.04	-0.06	-0.08	-0.09	-0.10	-0.10
Wood Products Manufacture	0.23	0.21	0.18	-0.08	-0.11	-0.14	-0.17	-0.18	-0.19	-0.19
Pulp & Paper	0.11	0.08	-0.08	-0.41	-0.67	-0.87	-1.02	-1.13	-1.21	-1.27
Paper Converters	0.13	0.14	0.07	-0.15	-0.27	-0.31	-0.33	-0.33	-0.32	-0.31
Labour Productivity (\$71 Mn. per Person-Year)										
Forestry	0.14	0.09	-0.01	-0.16	-0.14	-0.08	-0.08	-0.07	-0.06	-0.06
Wood Products Manufacture	0.00	-0.04	-0.05	-0.02	0.03	0.04	0.03	0.04	0.03	0.03
Pulp & Paper	-0.72	-1.85	-2.82	-2.94	-2.57	-2.25	-2.00	-1.80	-1.64	-1.52
Paper Converters	0.22	0.10	0.03	-0.16	-0.01	0.10	0.13	0.14	0.14	0.13
Capital to Labour Ratio										
Forestry	-0.03	-0.04	-0.02	0.01	0.04	0.04	0.04	0.04	0.04	0.04
Wood Products Manufacture	-0.23	-0.20	-0.16	0.10	0.12	0.15	0.18	0.18	0.18	0.18
Pulp & Paper	1.27	2.46	3.58	3.64	3.68	3.67	3.65	3.61	3.54	3.46
Paper Converters	-0.13	-0.06	0.14	0.53	0.77	0.87	0.91	0.92	0.92	0.91
INDICATIONS OF COSTS (1971=1)										
Prices of Material Inputs										
Petroleum & Coal Products	-0.15	-0.14	-0.08	0.05	0.05	0.02	0.00	-0.01	-0.01	-0.01
Industrial Chemicals	-0.05	-0.10	-0.11	-0.06	0.00	0.03	0.04	0.05	0.05	0.04
Other Chemicals	-0.01	-0.04	-0.01	0.03	0.10	0.13	0.14	0.15	0.14	0.13
Electric Power	-0.02	-0.05	-0.07	-0.07	-0.06	-0.03	0.01	0.03	0.04	0.05
Motor Transport Services	-0.05	-0.03	0.00	0.08	0.09	0.10	0.11	0.11	0.11	0.11
Wholesale Services	-0.07	-0.06	-0.02	0.09	0.12	0.13	0.13	0.12	0.11	0.11
Financial Services	-0.01	-0.02	-0.01	0.03	0.06	0.09	0.10	0.11	0.11	0.10
Business Services	0.00	0.00	0.01	0.03	0.07	0.09	0.10	0.11	0.12	0.12
Office & Laboratory Services	0.01	0.04	0.10	0.16	0.19	0.20	0.21	0.20	0.20	0.20
Labour Inputs										
-Wages per Person-Year (\$C)										
Forestry	0.03	0.04	0.07	0.09	0.13	0.14	0.15	0.17	0.19	0.19
Manufacturing	0.03	0.01	0.01	0.02	0.06	0.07	0.07	0.09	0.12	0.12
-Unit Labour Costs (1971=1)										
Forestry	-0.10	-0.05	0.07	0.25	0.27	0.22	0.23	0.24	0.24	0.24
Manufacturing	-0.09	0.04	0.14	0.27	0.21	0.16	0.17	0.18	0.20	0.19
Capital Costs										
-Investment Deflators										
Forestry	-0.02	-0.01	0.01	0.07	0.11	0.13	0.13	0.12	0.12	0.12
Wood Products Manufacture	-0.02	-0.01	0.00	0.04	0.06	0.07	0.08	0.09	0.09	0.09
Pulp & Paper	-0.63	-0.62	-0.61	0.06	0.08	0.10	0.10	0.11	0.11	0.11
Paper Converters	-0.02	-0.03	0.01	0.09	0.14	0.15	0.14	0.12	0.13	0.12

MAJOR ECONOMIC INDICATORS

Dioxin & Furan Reg., Option A		1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
		% Impact									
*** Gross National Expenditure ***											
QGNPC	Value	0.04	0.03	0.03	-0.01	0.00	0.01	0.01	0.01	0.01	0.01
QPGNE	Price	-0.01	-0.01	-0.01	0.01	0.02	0.02	0.02	0.02	0.02	0.02
QGNEXK	Volume	0.04	0.04	0.03	-0.01	-0.01	-0.01	-0.01	-0.01	-0.01	-0.01
*** Volumes (Mn\$71) ***											
QCZK	Consumption Expenditure	0.01	0.01	0.01	0.00	0.00	-0.01	-0.01	-0.01	0.00	0.00
QCDURK	Durables	0.02	0.02	0.02	0.00	-0.01	-0.01	-0.01	-0.01	0.00	0.00
QOTHER	Other	0.01	0.01	0.01	0.00	0.00	0.00	-0.01	0.00	0.00	0.00
QGVEXK	Government Expenditure	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
QGCURK	Current	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
QGFICK	Capital	0.01	0.01	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00
QBUINN	Business Investment	0.15	0.16	0.16	0.02	-0.01	-0.02	-0.03	-0.02	-0.01	0.00
QIR	Residential	0.00	0.00	0.01	0.01	0.01	0.00	-0.01	-0.01	-0.01	0.00
QCINP	Nonresidential	0.20	0.21	0.21	0.02	-0.01	-0.03	-0.03	-0.02	-0.01	0.00
QTVPCK	Inventory Change	(a) 25.0	6.9	-2.7	-29.5	-11.6	-1.4	0.3	2.5	2.7	0.8
QNTXPK	Net Exports	(a) -14.6	-16.8	-18.5	-5.8	-5.1	-4.0	-5.2	-8.7	-12.2	-13.7
QKPTXK	Exports	0.00	0.00	0.00	0.00	0.00	-0.01	-0.01	-0.01	-0.01	-0.01
QIMPMK	Imports	0.03	0.03	0.03	0.01	0.00	0.00	0.00	0.00	0.01	0.01
*** Labour Market ***											
QLBFOR	Labour Force	(a) 0.28	0.27	0.20	-0.18	-0.29	-0.30	-0.21	-0.03	0.07	0.11
QTEET	Employment	(a) 3.13	3.49	3.54	0.27	-0.34	-0.69	-0.88	-0.92	-0.92	-0.93
QUT	Unemployment	(a) -2.85	-3.22	-3.33	-0.45	0.05	0.39	0.67	0.89	0.99	1.03
QURATE	Unemployment Rate (%)	(a) -0.02	-0.02	-0.02	0.00	0.00	0.00	0.00	0.01	0.01	0.01
*** Wages and Prices ***											
QTEWET	Wage & Salary/Employee (\$C)	0.01	0.00	0.00	0.00	0.01	0.01	0.01	0.02	0.02	0.02
QTEYET	Output per Employee (\$71)	0.02	0.01	0.01	-0.01	-0.01	0.00	0.00	0.00	0.00	0.00
QPRULC	Priv. Non-Agr Unit Lab. Cost	-0.02	-0.01	0.00	0.02	0.02	0.02	0.02	0.02	0.02	0.02
QIMPMP	Impl. Deflator of Imports	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
QTEP	Implicit Output Deflator	0.00	0.00	0.00	0.01	0.02	0.02	0.02	0.02	0.02	0.02
QCPI	Consumer Price Index	0.00	-0.01	-0.01	0.00	0.01	0.01	0.02	0.02	0.02	0.02
*** Incomes ***											
QYDPOP	Disposable Income/Capita (\$71)	0.02	0.02	0.02	0.00	-0.01	-0.01	-0.01	-0.01	0.00	0.00
QCP	Corporate Profits (\$C)	0.04	-0.05	-0.12	-0.19	-0.11	-0.04	-0.02	-0.01	-0.02	-0.02
Government Balances (Mn\$C)											
QGOBAL	All-Governments	(a) 119.0	117.8	119.9	-9.0	-10.1	-17.8	-20.6	-17.4	-16.3	-23.1
QGBALF	Federal	(a) 81.3	77.1	77.1	-11.2	-7.0	-8.8	-9.8	-7.0	-6.6	-11.2
QGBALJ	Non-Federal	(a) 37.7	40.7	42.9	2.2	-3.2	-9.0	-10.9	-10.4	-9.7	-11.8
QCRBAL	Current Account Balance	(a) -61.8	-77.7	-85.4	-20.3	-5.5	4.6	1.1	-16.1	-34.9	-44.0
*** Financial ***											
QREXNC	Exchange Rate (US/CAN)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
QCHPCP	Prime Comm. Paper Rate	(a) 0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
QRINDB	Industrial Bond Rate	(a) 0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

(a) Level Impact

**FORESTRY AND FOREST PRODUCTS
MAJOR INDICATORS**

Dioxin & Furan Reg., Option A	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
	% Impact									
INDICATIONS OF DEMAND (\$71 Mn.)										
Final Demand										
Consum. Exp. Non-dur. Household	0.01	0.02	0.02	0.00	-0.01	-0.02	-0.03	-0.03	-0.02	-0.02
Wood Exports	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Sect. III Exports	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Lumber Exports	0.00	0.00	0.01	0.01	0.00	-0.02	-0.04	-0.04	-0.04	-0.05
Pulp Exports	0.00	0.01	0.00	-0.01	-0.02	-0.03	-0.03	-0.03	-0.03	-0.03
Newsprint Exports	0.00	0.01	0.00	-0.01	-0.03	-0.04	-0.04	-0.04	-0.04	-0.04
Paper Exports	0.00	0.02	0.00	-0.02	-0.06	-0.07	-0.07	-0.07	-0.07	-0.07
Wood Imports	0.11	0.10	0.11	0.00	0.01	0.00	-0.01	-0.01	0.00	0.00
Other Sect. IV Imports	0.01	0.01	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Intermediate Industry Requirements										
Furniture Manufacture	0.06	0.04	0.04	-0.02	-0.01	-0.01	-0.02	-0.01	-0.01	-0.01
Food-Processing Manufacture	0.04	0.03	0.02	-0.02	-0.02	-0.01	-0.01	-0.01	0.00	-0.01
Tobacco Manufacture	0.05	0.01	0.00	-0.07	-0.05	-0.04	-0.03	-0.03	-0.03	-0.04
Printing & Publishing	0.05	0.03	0.02	-0.03	-0.02	-0.01	-0.01	-0.01	-0.02	-0.02
INDICATIONS OF INDUSTRY ACTIVITY										
Gross Domestic Product (\$71 Mn.)										
Forestry	0.05	0.04	0.02	-0.03	-0.03	-0.02	-0.03	-0.03	-0.03	-0.03
Wood Products Manufacture	0.06	0.04	0.04	-0.02	-0.01	-0.02	-0.03	-0.03	-0.03	-0.03
Pulp & Paper	0.12	0.12	0.10	-0.02	-0.04	-0.04	-0.04	-0.04	-0.03	-0.03
Paper Converters	0.10	0.08	0.06	-0.04	-0.03	-0.02	-0.02	-0.02	-0.01	-0.02
Factory Gate Prices (1971=1)										
Forestry	-0.01	-0.01	0.00	0.02	0.02	0.02	0.02	0.02	0.02	0.02
Wood Products Manufacture	-0.01	0.00	0.01	0.03	0.04	0.04	0.04	0.04	0.04	0.04
Pulp & Paper	0.00	-0.02	-0.01	0.03	0.07	0.09	0.09	0.09	0.09	0.09
Paper Converters	0.00	-0.02	-0.01	0.03	0.08	0.10	0.10	0.10	0.10	0.09
Export Prices (1971=1)										
Wood	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Sect. III	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Lumber	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Pulp	0.00	-0.02	0.00	0.02	0.05	0.07	0.07	0.07	0.07	0.07
Newsprint	0.00	-0.01	0.00	0.02	0.05	0.06	0.07	0.06	0.06	0.06
Paper	0.00	-0.02	0.00	0.02	0.06	0.07	0.07	0.07	0.07	0.07
Investment (\$71 Mn.)										
Forestry	0.06	0.05	0.03	-0.03	-0.04	-0.04	-0.04	-0.03	-0.02	-0.02
Wood Products Manufacture	0.01	0.06	0.04	0.02	-0.01	-0.01	0.00	-0.01	-0.01	-0.01
Pulp & Paper	2.90	2.89	2.80	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Paper Converters	0.00	0.07	0.03	0.03	-0.04	0.01	0.07	0.07	0.07	0.03
Capital to Output Ratio										
Forestry	-0.04	-0.04	-0.01	0.03	0.04	0.02	0.02	0.02	0.02	0.02
Wood Products Manufacture	-0.06	-0.04	-0.03	0.03	0.02	0.03	0.03	0.03	0.03	0.03
Pulp & Paper	0.21	0.50	0.75	0.81	0.77	0.72	0.67	0.63	0.60	0.56
Paper Converters	-0.10	-0.08	-0.06	0.04	0.04	0.03	0.03	0.03	0.03	0.03

MAJOR ECONOMIC INDICATORS

Dioxin & Furan Reg., Option B		1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
		% Impact									
*** Gross National Expenditure ***											
QGNPC	Value	0.05	0.05	0.06	0.02	0.03	0.04	0.04	0.05	0.05	0.05
QPGNE	Price	0.00	0.02	0.03	0.05	0.06	0.07	0.07	0.07	0.07	0.07
QGNEXK	Volume	0.05	0.03	0.02	-0.03	-0.03	-0.02	-0.02	-0.02	-0.02	-0.02
*** Volumes (Mn\$71) ***											
QCZK	Consumption Expenditure	0.01	0.01	0.00	-0.01	-0.02	-0.02	-0.02	-0.01	-0.01	-0.01
QCDURK	Durables	0.02	0.02	0.01	-0.01	-0.01	-0.01	-0.01	-0.01	-0.01	-0.01
QOTHER	Other	0.01	0.01	0.00	-0.01	-0.02	-0.02	-0.02	-0.02	-0.01	-0.01
QGVEXK	Government Expenditure	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
QGCURK	Current	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
QGFICK	Capital	0.01	0.01	0.00	-0.01	-0.01	-0.01	-0.01	-0.01	0.00	0.00
QBUINN	Business Investment	0.18	0.21	0.22	0.05	0.01	-0.01	-0.02	-0.01	0.00	0.00
QIR	Residential	0.01	0.01	0.02	0.01	0.00	-0.01	-0.01	-0.01	-0.01	-0.01
QCINP	Nonresidential	0.24	0.27	0.28	0.06	0.02	-0.01	-0.02	-0.01	0.00	0.01
QTVPCK	Inventory Change	(a) 28.2	2.5	-9.9	-39.4	-14.1	0.1	2.1	4.8	3.7	1.1
QNTXPK	Net Exports	(a) -22.7	-31.6	-40.6	-26.9	-25.5	-23.2	-23.8	-27.8	-30.8	-31.2
QXPTXK	Exports	-0.01	-0.02	-0.03	-0.03	-0.03	-0.04	-0.04	-0.04	-0.04	-0.04
QIMPMK	Imports	0.03	0.03	0.04	0.01	0.01	0.00	0.00	0.00	0.01	0.01
*** Labour Market ***											
QLBFOR	Labour Force	(a) 0.26	0.12	-0.07	-0.50	-0.58	-0.52	-0.34	-0.08	0.06	0.12
QTEET	Employment	(a) 3.59	3.77	3.59	-0.51	-1.23	-1.70	-2.03	-2.16	-2.25	-2.31
QUT	Unemployment	(a) -3.32	-3.65	-3.65	0.02	0.65	1.18	1.68	2.07	2.31	2.43
QURATE	Unemployment Rate (%)	(a) -0.02	-0.03	-0.03	0.00	0.00	0.01	0.01	0.01	0.02	0.02
*** Wages and Prices ***											
QTEWET	Wage & Salary/Employee (\$C)	0.01	0.01	0.01	0.01	0.03	0.03	0.04	0.04	0.04	0.04
QTEYET	Output per Employee (\$71)	0.02	0.00	-0.01	-0.03	-0.02	-0.01	-0.01	-0.01	-0.01	-0.01
QPRULC	Priv. Non-Agr Unit Lab. Cost	-0.01	0.00	0.02	0.04	0.04	0.04	0.05	0.05	0.05	0.05
QIMPMP	Impl. Deflator of Imports	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
QTEP	Implicit Output Deflator	0.01	0.02	0.04	0.05	0.06	0.07	0.07	0.07	0.07	0.07
QCPI	Consumer Price Index	0.00	0.01	0.02	0.03	0.04	0.04	0.04	0.05	0.05	0.05
*** Incomes ***											
QYDPOP	Disposable Income/Capita (\$71)	0.02	0.01	0.00	-0.02	-0.02	-0.02	-0.02	-0.01	-0.01	-0.01
QCP	Corporate Profits (\$C)	0.14	0.12	0.12	0.00	0.09	0.18	0.21	0.23	0.22	0.22
Government Balances (Mn\$C)											
QGOBAL	All-Governments	(a) 154.5	154.7	163.5	-0.2	2.6	-5.1	-8.2	-3.6	-5.3	-14.3
QGBALF	Federal	(a) 107.9	107.0	116.0	7.0	17.8	18.3	18.8	24.0	24.0	20.5
QGBALJ	Non-Federal	(a) 46.6	47.6	47.4	-7.2	-15.3	-23.4	-27.1	-27.5	-29.3	-34.7
QCRBAL	Current Account Balance	(a) -41.0	-28.0	-7.3	61.7	78.5	94.7	96.4	80.9	69.3	71.9
*** Financial ***											
QREXNC	Exchange Rate (US/CAN)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
QCNPCC	Prime Comm. Paper Rate	(a) 0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
QRINDB	Industrial Bond Rate	(a) 0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

(a) Level Impact

**MAJOR ECONOMIC INDICATORS
LABOUR FORCE AND EMPLOYMENT
(Thousands)**

Dioxin & Furan Reg., Option B		1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
						Impact					
QPOP	Population	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
QHOMO	Households	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
QLBFOR	Labour Force	0.26	0.12	-0.07	-0.50	-0.58	-0.52	-0.34	-0.08	0.06	0.12
QCSPMF	Civilian Source Population	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
QPRATE	Participation Rate (%)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TEET	Total Employment	3.587	3.771	3.586	-0.513	-1.229	-1.698	-2.027	-2.156	-2.250	-2.313
AGET	Agriculture	0.141	0.056	0.009	-0.215	-0.183	-0.183	-0.115	-0.097	-0.082	-0.079
FSET	Fisheries	0.008	0.011	0.011	0.008	0.001	-0.004	-0.010	-0.016	-0.022	-0.026
FOET	Forestry	0.003	-0.003	-0.017	-0.037	-0.051	-0.058	-0.064	-0.068	-0.071	-0.072
MIET	Mining	0.091	0.122	0.128	0.063	0.049	0.061	0.048	0.041	0.036	0.036
MAET	Manufacturing	1.068	1.086	0.974	-0.501	-0.839	-1.056	-1.131	-1.151	-1.222	-1.289
UTET	Utilities	0.036	0.047	0.054	0.029	0.027	0.030	0.030	0.030	0.031	0.030
COET	Construction	1.103	1.237	1.320	0.256	0.157	0.087	-0.019	-0.073	-0.101	-0.088
TSET	Transport, Storage & Comm.	0.122	0.174	0.181	0.048	-0.030	-0.077	-0.108	-0.124	-0.133	-0.143
TRET	Trade	0.411	0.441	0.414	0.010	-0.059	-0.132	-0.229	-0.279	-0.288	-0.291
FIET	Finance, Insur. & Real Est	0.077	0.091	0.080	-0.010	-0.042	-0.046	-0.041	-0.026	-0.013	-0.004
CSET	Services	0.532	0.504	0.429	-0.171	-0.261	-0.323	-0.391	-0.396	-0.389	-0.392
ADET	Public Administration	-0.005	0.004	0.003	0.008	0.001	0.003	0.003	0.003	0.004	0.005
QUT	Unemployment	-3.324	-3.652	-3.653	0.016	0.653	1.177	1.683	2.071	2.311	2.435
QURATE	Unemployment Rate (%)	-0.02	-0.03	-0.03	0.00	0.00	0.01	0.01	0.01	0.02	0.02
Special Aggregations											
GOODS	Goods-Producing	1.31	1.27	1.10	-0.68	-1.02	-1.24	-1.27	-1.29	-1.36	-1.43
SVC	Services	2.28	2.50	2.48	0.17	-0.21	-0.46	-0.75	-0.87	-0.89	-0.88
SVCP	Private	2.27	2.48	2.47	0.17	-0.19	-0.44	-0.74	-0.85	-0.88	-0.87
SVCPU	Public	0.01	0.01	0.01	0.00	-0.01	-0.02	-0.02	-0.02	-0.01	-0.01

**FORESTRY AND FOREST PRODUCTS
MAJOR INDICATORS**

Dioxin & Furan Reg., Option B	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
	% Impact									
INDICATIONS OF DEMAND (\$71 Mn.)										
Final Demand										
Consum. Exp. Non-dur. Household	-0.06	-0.16	-0.28	-0.33	-0.35	-0.34	-0.33	-0.31	-0.30	-0.28
Wood Exports	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Sect. III Exports	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Lumber Exports	0.00	0.01	0.02	0.02	0.00	-0.02	-0.04	-0.06	-0.06	-0.07
Pulp Exports	-0.15	-0.29	-0.43	-0.42	-0.41	-0.40	-0.39	-0.38	-0.37	-0.37
Newsprint Exports	-0.21	-0.40	-0.60	-0.59	-0.58	-0.56	-0.55	-0.54	-0.53	-0.52
Paper Exports	-0.37	-0.70	-1.03	-1.01	-0.99	-0.97	-0.94	-0.92	-0.90	-0.88
Wood Imports	-0.28	-0.70	-1.08	-1.17	-1.10	-1.07	-1.03	-0.99	-0.96	-0.93
Other Sect. IV Imports	0.01	0.01	0.01	0.01	0.00	0.00	0.00	0.00	0.00	0.00
Intermediate Industry Requirements										
Furniture Manufacture	0.07	0.04	0.04	-0.03	-0.02	-0.03	-0.03	-0.02	-0.02	-0.02
Food-Processing Manufacture	0.04	0.01	0.00	-0.05	-0.03	-0.02	-0.01	-0.01	-0.01	-0.01
Tobacco Manufacture	0.05	-0.01	-0.05	-0.12	-0.08	-0.06	-0.05	-0.05	-0.06	-0.07
Printing & Publishing	0.05	0.01	-0.02	-0.08	-0.07	-0.05	-0.05	-0.05	-0.05	-0.05
INDICATIONS OF INDUSTRY ACTIVITY										
Gross Domestic Product (\$71 Mn.)										
Forestry	0.02	-0.03	-0.09	-0.14	-0.14	-0.13	-0.13	-0.13	-0.13	-0.13
Wood Products Manufacture	0.06	0.03	0.02	-0.05	-0.04	-0.05	-0.06	-0.06	-0.06	-0.07
Pulp & Paper	-0.57	-1.26	-1.91	-1.97	-1.90	-1.84	-1.78	-1.73	-1.69	-1.65
Paper Converters	0.10	0.04	0.00	-0.12	-0.10	-0.08	-0.08	-0.07	-0.07	-0.07
Factory Gate Prices (1971=1)										
Forestry	0.00	0.01	0.03	0.06	0.06	0.06	0.06	0.05	0.05	0.05
Wood Products Manufacture	-0.02	-0.03	-0.02	0.02	0.04	0.04	0.05	0.05	0.05	0.04
Pulp & Paper	0.47	0.90	1.33	1.30	1.28	1.25	1.22	1.19	1.16	1.13
Paper Converters	0.53	1.01	1.49	1.46	1.44	1.41	1.38	1.34	1.31	1.28
Export Prices (1971=1)										
Wood	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Sect. III	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Lumber	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-0.01
Pulp	0.36	0.69	1.02	0.99	0.97	0.94	0.92	0.89	0.87	0.85
Newsprint	0.33	0.62	0.92	0.90	0.88	0.85	0.83	0.81	0.79	0.78
Paper	0.37	0.71	1.05	1.02	0.99	0.97	0.94	0.91	0.89	0.87
Investment (\$71 Mn.)										
Forestry	0.04	0.00	-0.05	-0.12	-0.13	-0.13	-0.14	-0.13	-0.12	-0.12
Wood Products Manufacture	0.00	0.03	-0.01	-0.03	-0.05	-0.03	-0.03	-0.05	-0.05	-0.06
Pulp & Paper	3.55	3.53	3.43	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Paper Converters	0.00	0.57	1.12	1.61	1.23	0.77	0.39	0.14	0.14	0.13
Capital to Output Ratio										
Forestry	-0.02	0.03	0.09	0.13	0.12	0.10	0.09	0.08	0.07	0.07
Wood Products Manufacture	-0.06	-0.03	-0.02	0.05	0.03	0.04	0.05	0.05	0.05	0.05
Pulp & Paper	0.99	2.05	3.01	3.00	2.85	2.72	2.61	2.51	2.42	2.34
Paper Converters	-0.10	0.00	0.12	0.32	0.37	0.38	0.39	0.38	0.38	0.38

**FORESTRY AND FOREST PRODUCTS
MAJOR INDICATORS**

Dioxin & Furan Reg., Option B	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
% Impact										
INDICATIONS OF INDUSTRY ACTIVITY (continued)										
Employment ('000s)										
Forestry	0.00	0.00	-0.02	-0.05	-0.07	-0.08	-0.09	-0.09	-0.10	-0.10
Wood Products Manufacture	0.06	0.05	0.03	-0.05	-0.05	-0.06	-0.07	-0.07	-0.07	-0.08
Pulp & Paper	-0.10	-0.31	-0.59	-0.82	-0.98	-1.11	-1.19	-1.25	-1.29	-1.31
Paper Converters	0.03	0.02	-0.02	-0.09	-0.13	-0.15	-0.15	-0.15	-0.15	-0.14
Labour Productivity (\$71 Mn. per Person-Year)										
Forestry	0.01	-0.02	-0.06	-0.09	-0.07	-0.05	-0.05	-0.04	-0.04	-0.03
Wood Products Manufacture	0.00	-0.01	-0.01	-0.01	0.01	0.01	0.01	0.01	0.01	0.01
Pulp & Paper	-0.47	-0.96	-1.33	-1.17	-0.93	-0.74	-0.60	-0.49	-0.41	-0.35
Paper Converters	0.06	0.02	0.01	-0.03	0.03	0.07	0.08	0.08	0.08	0.07
Capital to Labour Ratio										
Forestry	0.00	0.01	0.02	0.04	0.05	0.05	0.05	0.04	0.04	0.03
Wood Products Manufacture	-0.06	-0.04	-0.03	0.04	0.04	0.05	0.06	0.06	0.06	0.06
Pulp & Paper	0.52	1.07	1.65	1.80	1.90	1.96	2.00	2.01	2.00	1.98
Paper Converters	-0.03	0.02	0.13	0.30	0.40	0.45	0.46	0.46	0.46	0.45
INDICATIONS OF COSTS (1971=1)										
Prices of Material Inputs										
Petroleum & Coal Products	-0.06	-0.05	-0.04	0.00	0.00	0.00	-0.01	-0.01	-0.01	-0.01
Industrial Chemicals	-0.04	-0.07	-0.07	-0.05	-0.02	0.00	0.01	0.01	0.02	0.02
Other Chemicals	-0.02	-0.03	-0.03	0.00	0.03	0.04	0.05	0.06	0.06	0.06
Electric Power	-0.01	-0.01	-0.01	-0.01	0.00	0.01	0.02	0.03	0.03	0.03
Motor Transport Services	-0.02	-0.01	0.00	0.03	0.03	0.03	0.04	0.04	0.04	0.04
Wholesale Services	-0.02	-0.01	0.00	0.03	0.04	0.05	0.05	0.05	0.04	0.04
Financial Services	0.00	0.00	0.00	0.02	0.03	0.03	0.04	0.04	0.04	0.04
Business Services	0.00	0.00	0.01	0.02	0.03	0.04	0.04	0.05	0.05	0.05
Office & Laboratory Services	0.01	0.03	0.06	0.07	0.08	0.08	0.09	0.09	0.08	0.08
Labour Inputs										
-Wages per Person-Year (\$C)										
Forestry	0.01	0.02	0.03	0.03	0.05	0.05	0.05	0.06	0.06	0.06
Manufacturing	0.01	0.00	0.00	0.01	0.02	0.03	0.03	0.04	0.05	0.05
-Unit Labour Costs (1971=1)										
Forestry	0.00	0.04	0.09	0.12	0.12	0.10	0.10	0.10	0.10	0.09
Manufacturing	-0.03	0.02	0.05	0.10	0.08	0.06	0.06	0.06	0.07	0.06
Capital Costs										
-Investment Deflators										
Forestry	-0.01	-0.01	0.00	0.02	0.03	0.04	0.04	0.04	0.04	0.04
Wood Products Manufacture	0.00	0.00	0.00	0.01	0.02	0.02	0.03	0.03	0.03	0.03
Pulp & Paper	-0.15	-0.15	-0.15	0.02	0.03	0.03	0.04	0.04	0.04	0.04
Paper Converters	0.00	-0.01	0.01	0.04	0.06	0.06	0.05	0.04	0.05	0.05

MAJOR ECONOMIC INDICATORS

Dioxin & Furan Reg., Option C	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
% Impact										
*** Gross National Expenditure ***										
QGNPC Value	0.05	0.04	0.04	0.00	0.01	0.02	0.02	0.02	0.02	0.02
QPGNE Price	-0.01	-0.01	0.00	0.02	0.03	0.04	0.04	0.04	0.04	0.04
QGNEXK Volume	0.06	0.05	0.04	-0.02	-0.02	-0.02	-0.02	-0.02	-0.02	-0.01
*** Volumes (Mn\$71) ***										
QCZK Consumption Expenditure	0.01	0.02	0.01	0.00	-0.01	-0.01	-0.01	-0.01	-0.01	-0.01
QCDURK Durables	0.02	0.03	0.02	-0.01	-0.01	-0.01	-0.01	-0.01	-0.01	-0.01
QOTHER Other	0.01	0.01	0.01	0.00	-0.01	-0.01	-0.01	-0.01	-0.01	-0.01
QGVEXK Government Expenditure	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
QGCURK Current	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
QGFICK Capital	0.01	0.01	0.01	-0.01	0.00	-0.01	-0.01	-0.01	0.00	0.00
QBUINN Business Investment	0.24	0.26	0.25	0.03	-0.01	-0.03	-0.03	-0.02	-0.01	0.00
QIR Residential	0.00	0.01	0.01	0.02	0.01	0.00	-0.01	-0.01	-0.01	-0.01
QCINP Nonresidential	0.32	0.34	0.33	0.03	-0.01	-0.04	-0.04	-0.02	-0.01	0.00
QTVPCK Inventory Change (a)	32.6	7.7	-5.0	-39.8	-15.5	-1.8	0.5	3.7	3.9	1.5
QNTYFK Net Exports (a)	-36.1	-40.4	-44.5	-12.4	-12.6	-12.0	-13.7	-18.4	-22.7	-24.5
QXPYK Exports	0.00	0.00	0.00	-0.01	-0.01	-0.01	-0.02	-0.02	-0.02	-0.02
QIMPYK Imports	0.06	0.07	0.07	0.01	0.01	0.00	0.00	0.01	0.02	0.02
*** Labour Market ***										
QLBFOR Labour Force (a)	0.34	0.29	0.18	-0.31	-0.45	-0.44	-0.29	-0.04	0.09	0.15
QTEET Employment (a)	4.21	4.56	4.52	0.04	-0.75	-1.22	-1.50	-1.57	-1.58	-1.56
QUT Unemployment (a)	-3.87	-4.26	-4.34	-0.34	0.30	0.79	1.22	1.53	1.67	1.71
QURATE Unemployment Rate (%) (a)	-0.03	-0.03	-0.03	0.00	0.00	0.01	0.01	0.01	0.01	0.01
*** Wages and Prices ***										
QTEWET Wage & Salary/Employee (\$C)	0.01	0.00	0.01	0.01	0.02	0.02	0.02	0.03	0.03	0.03
QTEYET Output per Employee (\$71)	0.02	0.01	0.00	-0.02	-0.01	-0.01	-0.01	0.00	0.00	0.00
QPRULC Priv. Non-Agr Unit Lab. Cost	-0.02	-0.01	0.00	0.03	0.03	0.03	0.03	0.03	0.03	0.03
QIMPMP Impl. Deflator of Imports	0.01	0.01	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00
QTEP Implicit Output Deflator	0.00	0.00	0.01	0.02	0.03	0.04	0.04	0.04	0.04	0.04
QCPI Consumer Price Index	0.00	-0.01	0.00	0.01	0.02	0.02	0.03	0.03	0.03	0.03
*** Incomes ***										
QYDPOP Disposable Income/Capita (\$71)	0.02	0.02	0.02	-0.01	-0.01	-0.01	-0.01	-0.01	-0.01	-0.01
QCP Corporate Profits (\$C)	0.03	-0.10	-0.19	-0.24	-0.13	-0.04	-0.01	0.00	0.00	-0.01
Government Balances (Mn\$C)										
QGOBAL All-Governments (a)	157.4	149.2	146.6	-29.0	-29.3	-39.5	-44.6	-42.2	-43.4	-53.0
QGBALF Federal (a)	107.9	98.5	96.2	-23.2	-16.1	-18.3	-20.4	-18.0	-18.7	-24.4
QGBALJ Non-Federal (a)	49.5	50.6	50.5	-5.8	-13.3	-21.2	-24.3	-24.3	-24.7	-28.5
QCRBAL Current Account Balance (a)	-150.1	-172.7	-184.5	-23.3	-9.3	-0.6	-7.3	-31.3	-54.9	-66.6
*** Financial ***										
QREXNC Exchange Rate (US/CAN)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
QCWPCP Prime Comm. Paper Rate (a)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
QRINDB Industrial Bond Rate (a)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

(a) Level Impact

**FORESTRY AND FOREST PRODUCTS
MAJOR INDICATORS**

Dioxin & Furan Reg., Option C	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
	‡ Impact									
INDICATIONS OF DEMAND (\$71 Mn.)										
Final Demand										
Consum.Exp.Non-dur.Household	0.01	0.01	0.00	-0.04	-0.06	-0.07	-0.07	-0.07	-0.06	-0.06
Wood Exports	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Sect. III Exports	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Lumber Exports	0.00	0.00	0.01	0.00	-0.02	-0.04	-0.06	-0.07	-0.07	-0.07
Pulp Exports	-0.01	-0.02	-0.04	-0.06	-0.08	-0.08	-0.08	-0.08	-0.08	-0.08
Newsprint Exports	-0.01	-0.03	-0.06	-0.09	-0.11	-0.12	-0.12	-0.12	-0.11	-0.11
Paper Exports	-0.02	-0.05	-0.10	-0.15	-0.19	-0.20	-0.20	-0.20	-0.19	-0.19
Wood Imports	0.13	0.08	0.04	-0.11	-0.10	-0.11	-0.11	-0.11	-0.10	-0.10
Other Sect. IV Imports	0.01	0.01	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Intermediate Industry Requirements										
Furniture Manufacture	0.08	0.05	0.05	-0.03	-0.01	-0.02	-0.03	-0.02	-0.01	-0.01
Food-Processing Manufacture	0.05	0.03	0.02	-0.04	-0.03	-0.02	-0.02	-0.01	-0.01	-0.01
Tobacco Manufacture	0.07	0.02	-0.01	-0.11	-0.07	-0.06	-0.05	-0.05	-0.05	-0.07
Printing & Publishing	0.05	0.03	0.01	-0.04	-0.04	-0.03	-0.03	-0.03	-0.03	-0.03
INDICATIONS OF INDUSTRY ACTIVITY										
Gross Domestic Product (\$71 Mn.)										
Forestry	0.06	0.05	0.02	-0.06	-0.06	-0.05	-0.06	-0.05	-0.05	-0.05
Wood Products Manufacture	0.09	0.06	0.05	-0.04	-0.03	-0.04	-0.05	-0.05	-0.05	-0.05
Pulp & Paper	0.12	0.05	-0.04	-0.24	-0.25	-0.24	-0.23	-0.22	-0.22	-0.21
Paper Converters	0.13	0.11	0.08	-0.06	-0.05	-0.04	-0.04	-0.03	-0.03	-0.03
Factory Gate Prices (1971=1)										
Forestry	-0.02	-0.01	0.00	0.03	0.04	0.04	0.04	0.04	0.04	0.04
Wood Products Manufacture	-0.01	0.00	0.02	0.05	0.06	0.07	0.07	0.06	0.06	0.06
Pulp & Paper	0.03	0.06	0.13	0.19	0.25	0.26	0.26	0.25	0.24	0.24
Paper Converters	0.03	0.07	0.15	0.21	0.27	0.29	0.29	0.28	0.27	0.26
Export Prices (1971=1)										
Wood	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Sect. III	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Lumber	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-0.01
Pulp	0.02	0.05	0.10	0.15	0.19	0.20	0.20	0.19	0.18	0.18
Newsprint	0.02	0.04	0.09	0.13	0.17	0.18	0.18	0.17	0.17	0.16
Paper	0.02	0.05	0.10	0.15	0.19	0.20	0.20	0.20	0.19	0.18
Investment (\$71 Mn.)										
Forestry	0.08	0.05	0.02	-0.06	-0.07	-0.07	-0.08	-0.06	-0.05	-0.04
Wood Products Manufacture	0.02	0.08	0.06	0.03	-0.02	-0.01	-0.01	-0.02	-0.02	-0.02
Pulp & Paper	4.74	4.71	4.58	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Paper Converters	0.00	0.12	0.14	0.20	0.12	0.14	0.15	0.11	0.09	0.04
Capital to Output Ratio										
Forestry	-0.06	-0.04	-0.01	0.06	0.06	0.04	0.04	0.03	0.03	0.03
Wood Products Manufacture	-0.08	-0.05	-0.04	0.05	0.04	0.04	0.06	0.05	0.05	0.05
Pulp & Paper	0.43	0.97	1.44	1.53	1.44	1.35	1.27	1.20	1.13	1.08
Paper Converters	-0.13	-0.10	-0.06	0.09	0.09	0.08	0.08	0.08	0.08	0.08

MAJOR ECONOMIC INDICATORS

Dioxin & Furan Reg., Option D		1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
% Impact											
*** Gross National Expenditure ***											
QGNPC	Value	0.07	0.05	0.05	-0.02	0.00	0.01	0.01	0.02	0.02	0.02
QPGNE	Price	-0.02	-0.03	-0.02	0.01	0.03	0.04	0.04	0.04	0.04	0.04
QGNEXK	Volume	0.10	0.08	0.07	-0.03	-0.03	-0.03	-0.03	-0.02	-0.02	-0.02
*** Volumes (Mn\$71) ***											
QCZK	Consumption Expenditure	0.03	0.03	0.03	0.00	-0.01	-0.01	-0.01	-0.01	-0.01	-0.01
QCDURK	Durables	0.04	0.05	0.04	-0.01	-0.02	-0.02	-0.02	-0.02	-0.01	-0.01
QOTHER	Other	0.02	0.03	0.03	0.01	0.00	-0.01	-0.01	-0.01	-0.01	-0.01
QGVEXK	Government Expenditure	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
QGCURK	Current	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
QGFICK	Capital	0.02	0.02	0.02	0.00	0.00	-0.01	-0.01	-0.01	-0.01	0.00
QBUINN	Business Investment	0.42	0.44	0.43	0.03	-0.03	-0.06	-0.06	-0.04	-0.02	-0.01
QIR	Residential	-0.01	0.00	0.02	0.04	0.02	0.00	-0.01	-0.02	-0.01	-0.01
QCINP	Nonresidential	0.55	0.57	0.55	0.03	-0.04	-0.08	-0.08	-0.05	-0.03	-0.01
QTVPCK	Inventory Change	(a) 54.8	15.6	-4.8	-63.6	-25.7	-4.1	-0.1	5.2	6.3	2.6
QNTXPK	Net Exports	(a) -65.2	-69.2	-72.3	-10.3	-11.7	-11.6	-15.1	-23.1	-30.7	-34.4
QXPTXK	Exports	0.01	0.01	0.01	0.00	0.00	-0.01	-0.01	-0.01	-0.02	-0.02
QIMPMK	Imports	0.12	0.13	0.13	0.02	0.01	0.01	0.01	0.02	0.03	0.03
*** Labour Market ***											
QLBFOR	Labour Force	(a) 0.60	0.58	0.44	-0.37	-0.64	-0.64	-0.42	-0.04	0.16	0.25
QTEET	Employment	(a) 7.09	7.75	7.78	0.39	-0.91	-1.67	-2.07	-2.13	-2.08	-2.01
QUT	Unemployment	(a) -6.50	-7.18	-7.33	-0.76	0.27	1.02	1.65	2.09	2.25	2.26
QURATE	Unemployment Rate (%)	(a) -0.05	-0.05	-0.05	-0.01	0.00	0.01	0.01	0.01	0.01	0.01
*** Wages and Prices ***											
QTEWET	Wage & Salary/Employee (\$C)	0.01	0.00	0.01	0.01	0.02	0.03	0.03	0.03	0.04	0.04
QTEYET	Output per Employee (\$71)	0.04	0.02	0.01	-0.03	-0.01	-0.01	-0.01	0.00	0.00	0.00
QPRULC	Priv. Non-Agr Unit Lab. Cost	-0.03	-0.02	-0.01	0.04	0.04	0.04	0.04	0.04	0.04	0.04
QIMPMP	Impl. Deflator of Imports	0.01	0.01	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00
QTEP	Implicit Output Deflator	-0.02	-0.02	-0.01	0.01	0.03	0.04	0.04	0.04	0.04	0.04
QCPI	Consumer Price Index	-0.01	-0.02	-0.02	0.00	0.02	0.03	0.03	0.03	0.03	0.03
*** Incomes ***											
QYDPOP	Disposable Income/Capita (\$71)	0.04	0.04	0.03	-0.01	-0.02	-0.02	-0.02	-0.01	-0.01	-0.01
QCP	Corporate Profits (\$C)	-0.02	-0.30	-0.49	-0.54	-0.35	-0.20	-0.16	-0.13	-0.14	-0.15
Government Balances (Mn\$C)											
QGOBAL	All-Governments	(a) 252.6	234.4	223.7	-64.5	-67.0	-85.1	-94.4	-91.9	-93.2	-109.1
QGBALF	Federal	(a) 171.8	151.7	140.9	-56.3	-47.3	-52.8	-57.5	-55.5	-57.2	-67.8
QGBALJ	Non-Federal	(a) 80.8	82.7	82.8	-8.2	-19.8	-32.3	-36.9	-36.4	-36.0	-41.3
QCRBAL	Current Account Balance	(a) -305.1	-363.5	-401.7	-90.7	-69.8	-60.7	-76.8	-120.4	-165.7	-193.4
*** Financial ***											
QREXNC	Exchange Rate (US/CAN)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
QCNPFCP	Prime Comm. Paper Rate	(a) 0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
QRINDB	Industrial Bond Rate	(a) 0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

(a) Level Impact

**MAJOR ECONOMIC INDICATORS
LABOUR FORCE AND EMPLOYMENT
(Thousands)**

Dioxin & Furan Reg., Option D		1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
						Impact					
QPOP	Population	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
QHOMO	Households	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
QLBFOR	Labour Force	0.60	0.58	0.44	-0.37	-0.64	-0.64	-0.42	-0.04	0.16	0.25
QCSPMF	Civilian Source Population	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
QPRATE	Participation Rate (%)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TEET	Total Employment	7.095	7.751	7.775	0.388	-0.907	-1.665	-2.071	-2.133	-2.085	-2.011
AGET	Agriculture	0.340	0.291	0.295	-0.141	-0.149	-0.217	-0.115	-0.087	-0.046	-0.029
FSET	Fisheries	0.015	0.021	0.022	0.018	0.000	-0.010	-0.016	-0.022	-0.029	-0.033
FOET	Forestry	0.022	0.038	0.044	0.026	0.010	0.003	-0.004	-0.008	-0.010	-0.012
MIET	Mining	0.120	0.137	0.103	-0.030	-0.084	-0.092	-0.125	-0.144	-0.154	-0.159
MAET	Manufacturing	1.897	1.927	1.785	-0.355	-0.753	-0.879	-0.773	-0.614	-0.555	-0.541
UTET	Utilities	0.041	0.037	0.023	-0.028	-0.039	-0.039	-0.039	-0.038	-0.036	-0.037
COET	Construction	2.421	2.640	2.787	0.391	0.187	0.022	-0.212	-0.328	-0.393	-0.349
TSET	Transport, Storage & Comm.	0.220	0.348	0.401	0.194	0.055	-0.028	-0.076	-0.094	-0.099	-0.104
TRET	Trade	0.862	1.027	1.058	0.269	0.112	-0.010	-0.172	-0.270	-0.293	-0.303
FIET	Finance, Insur. & Real Est	0.139	0.181	0.173	0.013	-0.066	-0.097	-0.103	-0.084	-0.060	-0.043
CSET	Services	1.029	1.100	1.079	0.017	-0.185	-0.321	-0.438	-0.442	-0.412	-0.404
ADET	Public Administration	-0.010	0.005	0.005	0.015	0.003	0.005	0.003	0.002	0.002	0.004
QUT	Unemployment	-6.496	-7.176	-7.334	-0.760	0.269	1.021	1.653	2.091	2.247	2.256
QURATE	Unemployment Rate (%)	-0.05	-0.05	-0.05	-0.01	0.00	0.01	0.01	0.01	0.01	0.01
Special Aggregations											
GOODS	Goods-Producing	2.39	2.41	2.25	-0.48	-0.98	-1.20	-1.03	-0.88	-0.79	-0.77
SVC	Services	4.70	5.34	5.53	0.87	0.07	-0.47	-1.04	-1.26	-1.29	-1.24
SVCP	Private	4.68	5.30	5.49	0.86	0.07	-0.46	-1.02	-1.24	-1.28	-1.23
SVCPU	Public	0.02	0.04	0.04	0.01	0.00	-0.01	-0.01	-0.01	-0.01	-0.01

**FORESTRY AND FOREST PRODUCTS
MAJOR INDICATORS**

Dioxin & Furan Reg., Option D	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	
					% Impact						
INDICATIONS OF DEMAND (\$71 Mn.)											
Final Demand											
Consum. Exp. Non-dur. Household	0.07	0.13	0.17	0.13	0.09	0.06	0.05	0.04	0.05	0.05	
Wood Exports	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Other Sect. III Exports	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Lumber Exports	0.00	0.01	0.01	0.00	-0.04	-0.08	-0.11	-0.12	-0.12	-0.12	
Pulp Exports	0.08	0.14	0.18	0.13	0.09	0.07	0.06	0.06	0.06	0.06	
Newsprint Exports	0.11	0.20	0.25	0.18	0.12	0.09	0.09	0.09	0.09	0.09	
Paper Exports	0.18	0.34	0.42	0.31	0.21	0.16	0.15	0.15	0.15	0.15	
Wood Imports	0.47	0.62	0.79	0.50	0.49	0.44	0.41	0.40	0.39	0.38	
Other Sect. IV Imports	0.02	0.02	0.02	0.00	0.00	-0.01	-0.01	0.00	0.00	0.00	
Intermediate Industry Requirements											
Furniture Manufacture	0.14	0.09	0.08	-0.05	-0.02	-0.03	-0.04	-0.03	-0.02	-0.02	
Food-Processing Manufacture	0.09	0.06	0.04	-0.06	-0.05	-0.04	-0.03	-0.01	-0.01	-0.01	
Tobacco Manufacture	0.12	0.04	0.00	-0.16	-0.11	-0.09	-0.08	-0.07	-0.08	-0.10	
Printing & Publishing	0.09	0.06	0.04	-0.05	-0.04	-0.03	-0.03	-0.03	-0.03	-0.03	
INDICATIONS OF INDUSTRY ACTIVITY											
Gross Domestic Product (\$71 Mn.)											
Forestry	0.13	0.13	0.09	-0.04	-0.05	-0.03	-0.04	-0.04	-0.03	-0.03	
Wood Products Manufacture	0.15	0.10	0.09	-0.06	-0.04	-0.05	-0.07	-0.07	-0.07	-0.07	
Pulp & Paper	0.65	0.92	1.13	0.75	0.68	0.66	0.64	0.62	0.61	0.59	
Paper Converters	0.24	0.21	0.18	-0.06	-0.05	-0.03	-0.03	-0.02	-0.02	-0.02	
Factory Gate Prices (1971=1)											
Forestry	-0.03	-0.04	-0.02	0.03	0.05	0.05	0.05	0.05	0.04	0.04	
Wood Products Manufacture	0.00	0.02	0.06	0.10	0.12	0.12	0.12	0.11	0.11	0.11	
Pulp & Paper	-0.24	-0.44	-0.54	-0.39	-0.27	-0.21	-0.19	-0.19	-0.19	-0.19	
Paper Converters	-0.26	-0.49	-0.61	-0.45	-0.31	-0.25	-0.23	-0.23	-0.23	-0.23	
Export Prices (1971=1)											
Wood	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Other Sect. III	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Lumber	0.00	0.00	0.00	0.00	0.00	0.00	-0.01	-0.01	-0.01	-0.01	
Pulp	-0.18	-0.34	-0.42	-0.30	-0.20	-0.16	-0.14	-0.14	-0.14	-0.14	
Newsprint	-0.16	-0.30	-0.38	-0.27	-0.18	-0.14	-0.13	-0.13	-0.13	-0.13	
Paper	-0.19	-0.34	-0.43	-0.31	-0.20	-0.16	-0.15	-0.14	-0.15	-0.15	
Investment (\$71 Mn.)											
Forestry	0.14	0.11	0.07	-0.06	-0.08	-0.08	-0.08	-0.06	-0.03	-0.03	
Wood Products Manufacture	0.04	0.16	0.14	0.08	-0.01	-0.01	0.00	-0.02	-0.01	0.00	
Pulp & Paper	8.26	8.22	7.98	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Paper Converters	0.00	-0.10	-0.39	-0.56	-0.52	-0.18	0.08	0.14	0.11	0.00	
Capital to Output Ratio											
Forestry	-0.12	-0.12	-0.07	0.05	0.06	0.03	0.03	0.02	0.02	0.02	
Wood Products Manufacture	-0.15	-0.09	-0.07	0.09	0.06	0.08	0.09	0.09	0.09	0.09	
Pulp & Paper	0.32	0.85	1.29	1.49	1.39	1.27	1.17	1.07	0.98	0.90	
Paper Converters	-0.24	-0.22	-0.21	-0.01	-0.04	-0.06	-0.06	-0.06	-0.06	-0.05	

**FORESTRY AND FOREST PRODUCTS
MAJOR INDICATORS**

Dioxin & Furan Reg., Option D	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
INDICATIONS OF INDUSTRY ACTIVITY (continued)										
	% Impact									
Employment ('000s)										
Forestry	0.03	0.05	0.06	0.04	0.01	0.00	-0.01	-0.01	-0.01	-0.02
Wood Products Manufacture	0.15	0.13	0.12	-0.05	-0.06	-0.08	-0.09	-0.09	-0.09	-0.09
Pulp & Paper	0.11	0.26	0.41	0.46	0.48	0.50	0.51	0.52	0.52	0.51
Paper Converters	0.08	0.11	0.11	0.02	-0.01	-0.02	-0.01	-0.01	0.00	0.01
Labour Productivity (\$71 Mn. per Person-Year)										
Forestry	0.10	0.08	0.03	-0.07	-0.07	-0.03	-0.03	-0.02	-0.02	-0.01
Wood Products Manufacture	0.00	-0.03	-0.02	-0.01	0.02	0.03	0.02	0.02	0.02	0.02
Pulp & Paper	0.53	0.66	0.73	0.29	0.20	0.15	0.12	0.11	0.09	0.08
Paper Converters	0.16	0.10	0.07	-0.08	-0.04	-0.02	-0.02	-0.02	-0.02	-0.03
Capital to Labour Ratio										
Forestry	-0.02	-0.04	-0.04	-0.02	-0.01	0.00	0.00	0.00	0.00	0.00
Wood Products Manufacture	-0.14	-0.12	-0.09	0.08	0.09	0.10	0.12	0.11	0.11	0.11
Pulp & Paper	0.85	1.51	2.03	1.78	1.59	1.42	1.29	1.18	1.07	0.98
Paper Converters	-0.08	-0.12	-0.14	-0.09	-0.08	-0.08	-0.08	-0.08	-0.08	-0.09
INDICATIONS OF COSTS (1971=1)										
Prices of Material Inputs										
Petroleum & Coal Products	-0.09	-0.06	-0.03	0.05	0.05	0.03	0.02	0.01	0.00	0.00
Industrial Chemicals	0.01	0.00	0.02	0.04	0.06	0.07	0.07	0.06	0.06	0.05
Other Chemicals	0.00	-0.01	0.00	0.03	0.06	0.07	0.07	0.06	0.06	0.05
Electric Power	-0.01	-0.02	-0.01	0.00	0.02	0.04	0.06	0.06	0.06	0.06
Motor Transport Services	-0.04	-0.03	-0.01	0.04	0.05	0.05	0.05	0.04	0.04	0.04
Wholesale Services	-0.07	-0.07	-0.05	0.02	0.04	0.05	0.04	0.04	0.03	0.03
Financial Services	-0.01	-0.02	-0.02	-0.01	0.02	0.03	0.03	0.04	0.03	0.03
Business Services	-0.01	-0.01	-0.01	0.00	0.01	0.03	0.03	0.03	0.04	0.03
Office & Laboratory Services	-0.02	-0.03	-0.03	0.00	0.03	0.03	0.04	0.04	0.04	0.03
Labour Inputs										
-Wages per Person-Year (\$C)										
Forestry	0.02	0.02	0.03	0.04	0.06	0.07	0.07	0.07	0.08	0.08
Manufacturing	0.02	0.02	0.03	0.03	0.04	0.03	0.03	0.03	0.05	0.04
-Unit Labour Costs (1971=1)										
Forestry	-0.08	-0.06	0.00	0.11	0.13	0.10	0.10	0.10	0.10	0.10
Manufacturing	-0.07	-0.03	-0.01	0.07	0.04	0.01	0.02	0.02	0.04	0.04
Capital Costs										
-Investment Deflators										
Forestry	0.00	0.01	0.03	0.05	0.07	0.07	0.06	0.06	0.06	0.05
Wood Products Manufacture	0.01	0.01	0.01	0.02	0.03	0.03	0.04	0.04	0.04	0.04
Pulp & Paper	-0.32	-0.33	-0.33	0.02	0.03	0.04	0.04	0.04	0.04	0.04
Paper Converters	0.01	0.00	0.01	0.02	0.03	0.03	0.04	0.05	0.05	0.04

MAJOR ECONOMIC INDICATORS

Dioxin & Furan Reg., Comp. Opt.	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
% Impact										
*** Gross National Expenditure ***										
QGNPC Value	0.06	0.04	0.04	-0.01	0.01	0.02	0.02	0.02	0.02	0.02
QPGNE Price	-0.01	-0.01	-0.01	0.01	0.03	0.04	0.04	0.04	0.04	0.04
QGNEXK Volume	0.07	0.06	0.05	-0.02	-0.02	-0.02	-0.02	-0.02	-0.02	-0.02
*** Volumes (Mn\$71) ***										
QCZK Consumption Expenditure	0.02	0.02	0.02	0.00	-0.01	-0.01	-0.01	-0.01	-0.01	-0.01
QCDURK Durables	0.03	0.03	0.03	0.00	-0.01	-0.01	-0.01	-0.01	-0.01	-0.01
QOTHER Other	0.01	0.02	0.02	0.00	-0.01	-0.01	-0.01	-0.01	-0.01	-0.01
QGVEXK Government Expenditure	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
QGCURK Current	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
QGFICK Capital	0.02	0.01	0.01	0.00	0.00	0.00	-0.01	-0.01	0.00	0.00
QBUINN Business Investment	0.27	0.29	0.28	0.03	-0.01	-0.04	-0.04	-0.03	-0.01	-0.01
QIR Residential	-0.01	0.00	0.01	0.02	0.01	0.00	-0.01	-0.01	-0.01	-0.01
QCINP Nonresidential	0.35	0.37	0.36	0.03	-0.02	-0.05	-0.05	-0.03	-0.01	-0.01
QTVPCK Inventory Change (a)	39.3	10.2	-4.9	-46.9	-18.5	-2.3	0.4	4.1	4.5	1.6
QBTXPK Net Exports (a)	-34.4	-38.6	-42.1	-11.3	-11.1	-10.0	-11.9	-17.6	-22.9	-25.3
QXPTXK Exports	0.00	0.00	0.00	0.00	-0.01	-0.01	-0.02	-0.02	-0.02	-0.02
QINPMK Imports	0.06	0.07	0.07	0.01	0.01	0.00	0.00	0.01	0.02	0.02
*** Labour Market ***										
QLBFOR Labour Force (a)	0.43	0.39	0.28	-0.32	-0.49	-0.50	-0.33	-0.05	0.11	0.17
QTEET Employment (a)	5.00	5.50	5.52	0.25	-0.70	-1.26	-1.57	-1.64	-1.64	-1.63
QUT Unemployment (a)	-4.57	-5.11	-5.24	-0.56	0.20	0.76	1.24	1.59	1.75	1.80
QURATE Unemployment Rate (%) (a)	-0.03	-0.04	-0.04	0.00	0.00	0.01	0.01	0.01	0.01	0.01
*** Wages and Prices ***										
QTEWET Wage & Salary/Employee (\$C)	0.01	0.01	0.01	0.01	0.02	0.02	0.02	0.03	0.03	0.03
QTEYET Output per Employee (\$71)	0.03	0.02	0.01	-0.02	-0.01	-0.01	-0.01	0.00	0.00	0.00
QPRULC Priv. Non-Agr Unit Lab. Cost	-0.02	-0.01	0.00	0.03	0.03	0.03	0.03	0.03	0.03	0.03
QIMPMP Impl. Deflator of Imports	0.00	0.01	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00
QTEP Implicit Output Deflator	-0.01	-0.01	0.00	0.02	0.03	0.04	0.04	0.04	0.04	0.04
QCPI Consumer Price Index	-0.01	-0.01	-0.01	0.01	0.02	0.02	0.03	0.03	0.03	0.03
*** Incomes ***										
QYDPOP Disposable Income/Capita (\$71)	0.03	0.03	0.02	-0.01	-0.01	-0.01	-0.01	-0.01	-0.01	-0.01
QCP Corporate Profits (\$C)	0.04	-0.12	-0.23	-0.31	-0.18	-0.07	-0.03	-0.02	-0.03	-0.03
Government Balances (Mn\$C)										
QGBAL All-Governments (a)	187.5	180.8	180.1	-26.8	-28.0	-40.2	-45.7	-41.9	-41.9	-53.0
QGBALF Federal (a)	128.2	118.6	116.5	-24.8	-17.3	-20.3	-22.3	-19.0	-19.3	-26.4
QGBALJ Non-Federal (a)	59.3	62.2	63.7	-2.0	-10.7	-20.0	-23.4	-22.9	-22.6	-26.6
QCRBAL Current Account Balance (a)	-147.1	-175.1	-190.0	-34.6	-14.9	-2.5	-9.8	-38.2	-67.6	-82.6
*** Financial ***										
QREXNC Exchange Rate (US/CAN)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
QCBPCP Prime Comm. Paper Rate (a)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
QRINDB Industrial Bond Rate (a)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

(a) Level Impact

**MAJOR ECONOMIC INDICATORS
LABOUR FORCE AND EMPLOYMENT
(Thousands)**

Dioxin & Furan Reg., Comp. Opt.		1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
						Impact					
QPOP	Population	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
QHONO	Households	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
QLBFOR	Labour Force	0.43	0.39	0.28	-0.32	-0.49	-0.50	-0.33	-0.05	0.11	0.17
QCSPMF	Civilian Source Population	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
QPRATE	Participation Rate (%)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TEET	Total Employment	5.005	5.497	5.516	0.247	-0.695	-1.257	-1.571	-1.641	-1.639	-1.629
AGET	Agriculture	0.231	0.186	0.181	-0.123	-0.121	-0.163	-0.090	-0.071	-0.045	-0.034
FSET	Fisheries	0.011	0.015	0.016	0.013	0.001	-0.005	-0.010	-0.015	-0.021	-0.024
FOET	Forestry	0.013	0.021	0.021	0.006	-0.006	-0.011	-0.017	-0.020	-0.022	-0.023
MIET	Mining	0.099	0.120	0.102	0.005	-0.029	-0.028	-0.051	-0.064	-0.072	-0.075
MAET	Manufacturing	1.472	1.537	1.451	-0.252	-0.593	-0.730	-0.688	-0.601	-0.588	-0.602
UTET	Utilities	0.034	0.035	0.030	-0.007	-0.014	-0.013	-0.013	-0.012	-0.012	-0.012
COET	Construction	1.555	1.709	1.807	0.274	0.132	0.024	-0.128	-0.201	-0.238	-0.213
TSET	Transport, Storage & Comm.	0.162	0.251	0.287	0.132	0.033	-0.027	-0.063	-0.078	-0.084	-0.090
TRET	Trade	0.598	0.708	0.727	0.178	0.074	-0.015	-0.132	-0.202	-0.218	-0.228
FIET	Finance, Insur. & Real Est	0.103	0.133	0.128	0.012	-0.042	-0.061	-0.065	-0.052	-0.035	-0.024
CSET	Services	0.734	0.778	0.760	-0.002	-0.136	-0.230	-0.317	-0.324	-0.308	-0.307
ADET	Public Administration	-0.007	0.004	0.004	0.011	0.003	0.003	0.003	0.002	0.002	0.004
QUT	Unemployment	-4.574	-5.108	-5.239	-0.563	0.203	0.762	1.242	1.591	1.750	1.804
QURATE	Unemployment Rate (%)	-0.03	-0.04	-0.04	0.00	0.00	0.01	0.01	0.01	0.01	0.01
Special Aggregations											
GOODS	Goods-Producing	1.83	1.88	1.77	-0.35	-0.75	-0.94	-0.86	-0.77	-0.75	-0.76
SVC	Services	3.18	3.62	3.74	0.60	0.05	-0.32	-0.72	-0.87	-0.89	-0.87
SVCP	Private	3.17	3.59	3.72	0.59	0.06	-0.31	-0.70	-0.86	-0.88	-0.86
SVCPU	Public	0.01	0.03	0.03	0.01	0.00	-0.01	-0.01	-0.01	-0.01	-0.01

**FORESTRY AND FOREST PRODUCTS
MAJOR INDICATORS**

Dioxin & Furan Reg., Comp. Opt.	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
					% Impact					
INDICATIONS OF DEMAND (\$71 Mn.)										
Final Demand										
Consum. Exp. Non-dur. Household	0.02	0.03	0.03	0.00	-0.03	-0.05	-0.05	-0.05	-0.05	-0.04
Wood Exports	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Sect. III Exports	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Lumber Exports	0.00	0.01	0.01	0.01	-0.01	-0.04	-0.07	-0.07	-0.08	-0.08
Pulp Exports	0.00	0.01	0.00	-0.03	-0.05	-0.06	-0.06	-0.06	-0.06	-0.05
Newsprint Exports	0.00	0.01	-0.01	-0.04	-0.07	-0.08	-0.08	-0.08	-0.08	-0.08
Paper Exports	0.01	0.02	-0.01	-0.06	-0.12	-0.14	-0.14	-0.14	-0.13	-0.13
Wood Imports	0.19	0.17	0.17	-0.01	0.00	-0.02	-0.03	-0.02	-0.02	-0.02
Other Sect. IV Imports	0.01	0.01	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Intermediate Industry Requirements										
Furniture Manufacture	0.10	0.06	0.06	-0.03	-0.01	-0.02	-0.03	-0.02	-0.02	-0.01
Food-Processing Manufacture	0.06	0.04	0.03	-0.04	-0.03	-0.02	-0.02	-0.01	-0.01	-0.01
Tobacco Manufacture	0.08	0.02	-0.01	-0.12	-0.08	-0.06	-0.06	-0.05	-0.05	-0.07
Printing & Publishing	0.07	0.05	0.03	-0.05	-0.04	-0.03	-0.03	-0.03	-0.03	-0.03
INDICATIONS OF INDUSTRY ACTIVITY										
Gross Domestic Product (\$71 Mn.)										
Forestry	0.08	0.07	0.03	-0.05	-0.06	-0.05	-0.05	-0.05	-0.05	-0.05
Wood Products Manufacture	0.10	0.07	0.06	-0.04	-0.03	-0.04	-0.05	-0.05	-0.05	-0.05
Pulp & Paper	0.21	0.19	0.15	-0.07	-0.09	-0.09	-0.09	-0.08	-0.08	-0.08
Paper Converters	0.16	0.13	0.10	-0.06	-0.05	-0.04	-0.03	-0.03	-0.03	-0.03
Factory Gate Prices (1971=1)										
Forestry	-0.02	-0.02	0.00	0.03	0.04	0.04	0.04	0.04	0.04	0.04
Wood Products Manufacture	-0.01	0.00	0.02	0.05	0.07	0.07	0.07	0.07	0.07	0.07
Pulp & Paper	-0.01	-0.02	0.01	0.08	0.15	0.18	0.18	0.18	0.17	0.16
Paper Converters	-0.01	-0.03	0.01	0.08	0.16	0.19	0.20	0.19	0.19	0.18
Export Prices (1971=1)										
Wood	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Sect. III	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Lumber	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-0.01	-0.01
Pulp	-0.01	-0.02	0.01	0.06	0.12	0.14	0.14	0.13	0.13	0.12
Newsprint	-0.01	-0.02	0.01	0.06	0.10	0.12	0.12	0.12	0.12	0.11
Paper	-0.01	-0.02	0.01	0.06	0.12	0.14	0.14	0.14	0.13	0.13
Investment (\$71 Mn.)										
Forestry	0.10	0.07	0.04	-0.06	-0.07	-0.07	-0.08	-0.06	-0.04	-0.04
Wood Products Manufacture	0.02	0.09	0.08	0.04	-0.02	-0.01	-0.01	-0.02	-0.02	-0.01
Pulp & Paper	5.21	5.18	5.03	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Paper Converters	0.00	0.10	0.06	0.07	-0.02	0.06	0.13	0.12	0.10	0.04
Capital to Output Ratio										
Forestry	-0.07	-0.06	-0.02	0.06	0.06	0.04	0.04	0.03	0.03	0.03
Wood Products Manufacture	-0.10	-0.06	-0.04	0.06	0.04	0.05	0.06	0.06	0.06	0.06
Pulp & Paper	0.40	0.93	1.38	1.49	1.40	1.31	1.23	1.15	1.09	1.03
Paper Converters	-0.16	-0.12	-0.09	0.08	0.07	0.05	0.06	0.06	0.06	0.06

**FORESTRY AND FOREST PRODUCTS
MAJOR INDICATORS**

Dioxin & Furan Reg., Comp. Opt.	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
INDICATIONS OF INDUSTRY ACTIVITY (continued)										
	% Impact									
Employment ('000s)										
Forestry	0.02	0.03	0.03	0.01	-0.01	-0.02	-0.02	-0.03	-0.03	-0.03
Wood Products Manufacture	0.10	0.08	0.07	-0.04	-0.04	-0.05	-0.06	-0.07	-0.06	-0.07
Pulp & Paper	0.04	0.06	0.08	0.05	0.03	0.01	-0.01	-0.02	-0.03	-0.04
Paper Converters	0.05	0.07	0.06	-0.01	-0.04	-0.04	-0.04	-0.04	-0.03	-0.03
Labour Productivity (\$71 Mn. per Person-Year)										
Forestry	0.06	0.04	0.01	-0.06	-0.05	-0.03	-0.03	-0.02	-0.02	-0.02
Wood Products Manufacture	0.00	-0.02	-0.02	-0.01	0.01	0.02	0.01	0.02	0.01	0.01
Pulp & Paper	0.17	0.13	0.08	-0.12	-0.11	-0.09	-0.08	-0.06	-0.05	-0.04
Paper Converters	0.10	0.06	0.04	-0.05	-0.02	0.01	0.01	0.01	0.01	0.00
Capital to Labour Ratio										
Forestry	-0.01	-0.02	-0.02	0.00	0.01	0.01	0.01	0.01	0.01	0.01
Wood Products Manufacture	-0.10	-0.08	-0.06	0.05	0.05	0.07	0.08	0.07	0.07	0.07
Pulp & Paper	0.57	1.05	1.46	1.36	1.29	1.21	1.15	1.09	1.04	0.98
Paper Converters	-0.05	-0.06	-0.05	0.02	0.05	0.06	0.06	0.06	0.06	0.06
INDICATIONS OF COSTS (1971=1)										
Prices of Material Inputs										
Petroleum & Coal Products	-0.06	-0.05	-0.03	0.03	0.02	0.01	0.01	0.00	0.00	0.00
Industrial Chemicals	-0.01	-0.02	-0.01	0.01	0.03	0.04	0.04	0.04	0.03	0.03
Other Chemicals	0.00	-0.02	-0.01	0.01	0.04	0.05	0.05	0.05	0.04	0.04
Electric Power	-0.01	-0.01	-0.01	-0.01	0.01	0.02	0.03	0.04	0.04	0.04
Motor Transport Services	-0.03	-0.02	-0.01	0.02	0.03	0.04	0.04	0.03	0.03	0.03
Wholesale Services	-0.04	-0.04	-0.03	0.02	0.03	0.04	0.04	0.03	0.03	0.03
Financial Services	-0.01	-0.01	-0.01	0.00	0.01	0.02	0.03	0.03	0.03	0.03
Business Services	0.00	-0.01	-0.01	0.00	0.01	0.02	0.03	0.03	0.03	0.03
Office & Laboratory Services	-0.01	-0.01	-0.01	0.02	0.03	0.04	0.04	0.04	0.04	0.04
Labour Inputs										
-Wages per Person-Year (\$C)										
Forestry	0.01	0.01	0.02	0.03	0.04	0.05	0.05	0.05	0.06	0.06
Manufacturing	0.02	0.01	0.02	0.02	0.03	0.02	0.02	0.03	0.04	0.04
-Unit Labour Costs (1971=1)										
Forestry	-0.05	-0.03	0.02	0.09	0.10	0.08	0.08	0.08	0.08	0.08
Manufacturing	-0.05	-0.02	0.01	0.06	0.04	0.02	0.02	0.03	0.04	0.04
Capital Costs										
-Investment Deflators										
Forestry	0.00	0.00	0.01	0.03	0.04	0.05	0.04	0.04	0.04	0.04
Wood Products Manufacture	0.00	0.00	0.00	0.01	0.02	0.02	0.03	0.03	0.03	0.03
Pulp & Paper	-0.22	-0.22	-0.22	0.01	0.02	0.03	0.03	0.03	0.03	0.03
Paper Converters	0.00	0.00	0.00	0.02	0.03	0.03	0.03	0.04	0.04	0.04

APPENDIX F
PROVINCIAL RESULTS

**Gross Domestic Product
All Industries
(millions of Constant 1971 Dollars)**

Effluent Reg.	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Impact										
Canada	246.8	197.8	143.7	-142.1	-138.7	-128.5	-134.9	-124.5	-117.7	-118.8
Newfoundland	8.1	8.7	8.8	1.6	1.3	1.3	1.3	1.3	1.3	1.4
Prince Edward Island	-0.2	-0.2	-0.1	0.1	0.1	0.0	0.0	0.0	0.0	0.0
Nova Scotia	5.9	4.1	1.4	-6.8	-7.4	-7.2	-7.2	-7.1	-7.0	-7.0
New Brunswick	11.4	7.3	2.5	-13.0	-13.7	-13.8	-13.6	-13.2	-13.0	-12.9
Quebec	82.3	70.2	53.5	-42.6	-47.0	-47.3	-47.4	-43.8	-40.2	-39.8
Ontario	87.4	66.1	51.4	-40.8	-31.4	-25.0	-29.8	-24.3	-21.4	-22.6
Manitoba	3.6	1.6	-0.7	-6.5	-6.7	-6.5	-6.5	-6.1	-6.0	-6.0
Saskatchewan	1.9	1.3	1.6	-0.5	0.6	0.8	0.5	0.2	0.1	0.1
Alberta	-3.6	-1.6	-1.7	0.4	1.7	4.2	3.6	3.2	2.0	1.7
British Columbia	47.9	37.9	24.7	-34.1	-36.0	-34.9	-35.5	-34.5	-33.6	-33.8
Territories	2.2	2.4	2.3	0.2	-0.1	0.0	-0.2	-0.1	0.0	0.1
Effluent Reg.	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
% Impact										
Canada	0.16	0.12	0.09	-0.08	-0.08	-0.07	-0.07	-0.07	-0.06	-0.06
Newfoundland	0.40	0.41	0.40	0.07	0.06	0.05	0.05	0.05	0.05	0.05
Prince Edward Island	-0.05	-0.05	-0.03	0.02	0.02	0.00	0.00	0.00	0.01	0.01
Nova Scotia	0.16	0.11	0.04	-0.17	-0.19	-0.18	-0.18	-0.17	-0.17	-0.17
New Brunswick	0.36	0.22	0.07	-0.39	-0.40	-0.40	-0.39	-0.37	-0.36	-0.36
Quebec	0.23	0.19	0.14	-0.11	-0.12	-0.11	-0.11	-0.10	-0.09	-0.09
Ontario	0.13	0.10	0.07	-0.06	-0.04	-0.03	-0.04	-0.03	-0.03	-0.03
Manitoba	0.06	0.03	-0.01	-0.10	-0.10	-0.10	-0.09	-0.09	-0.08	-0.08
Saskatchewan	0.03	0.02	0.03	-0.01	0.01	0.01	0.01	0.00	0.00	0.00
Alberta	-0.02	-0.01	-0.01	0.00	0.01	0.02	0.02	0.02	0.01	0.01
British Columbia	0.27	0.21	0.13	-0.18	-0.19	-0.18	-0.18	-0.17	-0.16	-0.16
Territories	0.28	0.30	0.28	0.02	-0.01	-0.01	-0.02	-0.01	0.00	0.01

**Employment
All Industries
(Thousands)**

Effluent Reg.	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Impact										
Canada	12.4	13.4	12.8	-0.8	-3.4	-4.7	-5.6	-5.9	-6.0	-6.1
Newfoundland	0.4	0.5	0.5	0.2	0.2	0.1	0.1	0.1	0.1	0.1
Prince Edward Island	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Nova Scotia	0.4	0.4	0.4	-0.2	-0.3	-0.3	-0.3	-0.4	-0.4	-0.4
New Brunswick	1.0	0.8	0.6	-0.5	-0.6	-0.6	-0.6	-0.6	-0.6	-0.6
Quebec	5.2	5.5	5.2	-0.5	-1.5	-2.1	-2.2	-2.2	-2.0	-2.0
Ontario	2.7	3.2	3.3	0.6	-0.2	-0.6	-1.1	-1.1	-1.2	-1.2
Manitoba	0.1	0.1	0.0	-0.1	-0.2	-0.2	-0.2	-0.3	-0.3	-0.3
Saskatchewan	-0.1	0.0	0.1	0.1	0.1	0.1	0.0	0.0	0.0	0.0
Alberta	-0.7	-0.3	-0.1	0.4	0.3	0.3	0.2	0.1	0.0	0.0
British Columbia	3.2	3.1	2.7	-0.9	-1.3	-1.4	-1.5	-1.6	-1.6	-1.6
Territories	0.1	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Effluent Reg.	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
% Impact										
Canada	0.10	0.10	0.10	-0.01	-0.03	-0.03	-0.04	-0.04	-0.04	-0.04
Newfoundland	0.27	0.30	0.31	0.11	0.09	0.08	0.07	0.06	0.06	0.05
Prince Edward Island	-0.05	-0.04	-0.02	0.03	0.01	0.00	0.00	-0.01	-0.01	-0.01
Nova Scotia	0.13	0.13	0.11	-0.05	-0.08	-0.09	-0.10	-0.10	-0.11	-0.11
New Brunswick	0.33	0.28	0.21	-0.16	-0.19	-0.21	-0.21	-0.21	-0.21	-0.21
Quebec	0.17	0.18	0.17	-0.02	-0.05	-0.06	-0.06	-0.06	-0.06	-0.06
Ontario	0.05	0.06	0.06	0.01	0.00	-0.01	-0.02	-0.02	-0.02	-0.02
Manitoba	0.01	0.02	0.01	-0.02	-0.04	-0.05	-0.05	-0.05	-0.05	-0.05
Saskatchewan	-0.01	0.00	0.02	0.02	0.02	0.01	0.01	0.00	0.00	0.00
Alberta	-0.06	-0.03	-0.01	0.03	0.03	0.02	0.02	0.01	0.00	0.00
British Columbia	0.23	0.22	0.19	-0.06	-0.09	-0.10	-0.10	-0.10	-0.10	-0.10
Territories	0.16	0.19	0.18	0.04	0.01	0.02	0.00	-0.01	-0.01	-0.01

**Non-residential Machinery and Equipment Investment
All Industries
(Millions of Constant 1971 Dollars)**

Effluent Reg.	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Impact										
Canada	57.7	76.0	85.9	25.7	-4.4	-23.1	-23.8	-12.1	-4.6	-1.2
Newfoundland	3.4	4.0	4.5	1.4	1.1	0.8	0.7	0.8	0.9	0.9
Prince Edward Island	-0.1	0.0	0.0	0.1	0.0	0.0	-0.1	0.0	0.0	0.0
Nova Scotia	2.7	2.3	1.7	-1.9	-2.4	-2.7	-2.8	-2.6	-2.5	-2.4
New Brunswick	4.6	3.3	1.8	-4.5	-5.1	-5.4	-5.4	-5.2	-5.0	-5.0
Quebec	28.7	32.3	34.0	4.5	-1.9	-6.0	-6.1	-3.7	-1.9	-1.3
Ontario	2.1	12.8	19.5	19.6	6.2	-1.1	-0.8	4.7	7.9	9.1
TOtitoba	0.2	0.2	0.1	-0.5	-1.2	-1.7	-1.9	-1.6	-1.4	-1.2
Saskatchewan	-0.2	0.3	1.0	1.3	0.8	-0.1	-0.5	-0.3	0.0	0.3
Alberta	-2.3	2.0	4.5	7.1	2.8	0.4	0.5	2.2	3.0	3.4
British Columbia	18.5	18.9	18.5	-1.7	-4.5	-6.6	-7.1	-6.3	-5.3	-4.9
Territories	0.1	0.2	0.3	0.1	-0.3	-0.5	-0.4	-0.2	-0.2	-0.2
Effluent Reg.	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
% Impact										
Canada	0.31	0.38	0.41	0.11	-0.02	-0.09	-0.10	-0.05	-0.02	0.00
Newfoundland	1.69	1.79	1.84	0.54	0.38	0.26	0.23	0.24	0.26	0.26
Prince Edward Island	-0.16	-0.10	-0.01	0.15	0.04	-0.10	-0.12	-0.08	-0.03	0.00
Nova Scotia	0.50	0.41	0.29	-0.33	-0.40	-0.45	-0.44	-0.41	-0.37	-0.36
New Brunswick	1.21	0.82	0.41	-1.03	-1.18	-1.24	-1.22	-1.14	-1.08	-1.03
Quebec	0.64	0.69	0.69	0.09	-0.04	-0.11	-0.11	-0.06	-0.03	-0.02
Ontario	0.03	0.15	0.22	0.20	0.06	-0.01	-0.01	0.04	0.07	0.08
TOtitoba	0.03	0.03	0.01	-0.07	-0.15	-0.22	-0.24	-0.20	-0.16	-0.15
Saskatchewan	-0.03	0.04	0.16	0.19	0.10	-0.01	-0.06	-0.03	0.00	0.04
Alberta	-0.13	0.11	0.22	0.32	0.12	0.02	0.02	0.08	0.11	0.12
British Columbia	0.89	0.85	0.80	-0.07	-0.17	-0.24	-0.26	-0.22	-0.19	-0.16
Territories	0.06	0.15	0.22	0.10	-0.18	-0.33	-0.27	-0.09	-0.07	-0.09

**Non-residential Structures Investment
All Industries
(Millions of Constant 1971 Dollars)**

Effluent Reg.	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Impact										
Canada	172.5	180.6	181.9	6.7	-9.3	-21.2	-24.4	-19.8	-10.7	-6.6
Newfoundland	11.7	12.1	12.4	0.8	0.5	0.3	0.4	0.4	0.6	0.7
Prince Edward Island	-0.2	-0.1	-0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0
Nova Scotia	9.1	9.1	8.9	-0.4	-0.8	-1.1	-1.2	-1.1	-0.9	-0.8
New Brunswick	17.0	16.5	15.9	-1.7	-2.4	-2.8	-2.7	-2.4	-2.1	-2.0
Quebec	83.5	85.3	86.1	2.5	-2.1	-7.0	-8.0	-6.0	-1.5	-0.1
Ontario	3.4	8.0	9.7	7.5	0.2	-5.1	-6.1	-3.8	0.4	1.8
TOtoba	1.6	1.5	1.4	-0.4	-0.7	-0.9	-0.9	-0.8	-0.6	-0.5
Saskatchewan	-0.5	-0.3	0.2	0.7	0.4	0.0	-0.3	-0.4	-0.4	-0.2
Alberta	-11.2	-8.9	-8.4	1.6	1.6	2.3	0.8	-0.4	-2.0	-1.7
British Columbia	57.7	57.0	55.7	-3.4	-5.0	-5.5	-4.9	-3.8	-2.7	-2.4
Territories	0.2	0.3	0.0	-0.6	-1.2	-1.4	-1.5	-1.5	-1.4	-1.4
Effluent Reg.	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
% Impact										
Canada	1.17	1.20	1.15	0.04	-0.05	-0.12	-0.13	-0.10	-0.05	-0.03
Newfoundland	3.37	2.65	2.27	0.13	0.08	0.05	0.06	0.07	0.09	0.10
Prince Edward Island	-0.24	-0.18	-0.13	0.13	0.06	-0.06	-0.08	-0.06	-0.02	0.01
Nova Scotia	2.48	2.59	2.48	-0.10	-0.20	-0.28	-0.29	-0.26	-0.20	-0.18
New Brunswick	4.65	4.36	3.81	-0.52	-0.77	-0.88	-0.81	-0.69	-0.58	-0.54
Quebec	2.48	2.46	2.40	0.07	-0.05	-0.17	-0.19	-0.14	-0.04	0.00
Ontario	0.07	0.16	0.18	0.13	0.00	-0.08	-0.09	-0.06	0.01	0.02
TOtoba	0.35	0.30	0.28	-0.06	-0.10	-0.13	-0.14	-0.11	-0.08	-0.07
Saskatchewan	-0.07	-0.05	0.05	0.13	0.07	0.00	-0.05	-0.07	-0.06	-0.04
Alberta	-0.42	-0.34	-0.30	0.05	0.05	0.07	0.03	-0.01	-0.06	-0.05
British Columbia	3.85	3.81	3.75	-0.22	-0.31	-0.33	-0.28	-0.22	-0.15	-0.13
Territories	0.13	0.14	0.02	-0.28	-0.54	-0.65	-0.43	-0.35	-0.32	-0.31

**Employment
All Industries
(Thousands)**

Dioxin & Furan Reg., Option A	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Impact										
Canada	3.1	3.5	3.5	0.3	-0.3	-0.7	-0.9	-0.9	-0.9	-0.9
Newfoundland	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Prince Edward Island	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Nova Scotia	0.1	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
New Brunswick	0.3	0.3	0.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Quebec	0.7	0.8	0.9	0.2	-0.1	-0.2	-0.2	-0.2	-0.2	-0.2
Ontario	0.9	0.9	0.9	0.0	-0.2	-0.3	-0.4	-0.4	-0.4	-0.4
Manitoba	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Saskatchewan	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Alberta	-0.1	0.0	0.0	0.0	0.0	0.0	0.0	-0.1	-0.1	-0.1
British Columbia	1.2	1.3	1.3	0.0	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1
Territories	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Dioxin & Furan Reg., Option A	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
% Impact										
Canada	0.02	0.03	0.03	0.00	0.00	-0.01	-0.01	-0.01	-0.01	-0.01
Newfoundland	0.01	0.02	0.02	0.01	0.01	0.00	0.00	0.00	0.00	0.00
Prince Edward Island	-0.02	-0.01	-0.01	0.01	0.00	0.00	0.00	0.00	0.00	0.00
Nova Scotia	0.02	0.02	0.03	0.01	0.00	0.00	0.00	0.00	-0.01	0.00
New Brunswick	0.10	0.10	0.10	0.00	0.00	-0.01	-0.01	-0.01	-0.01	-0.01
Quebec	0.02	0.03	0.03	0.00	0.00	-0.01	-0.01	-0.01	-0.01	-0.01
Ontario	0.02	0.02	0.02	0.00	0.00	-0.01	-0.01	-0.01	-0.01	-0.01
Manitoba	0.00	0.01	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Saskatchewan	0.00	0.00	0.01	0.00	0.00	0.00	0.00	0.00	-0.01	-0.01
Alberta	-0.01	0.00	0.00	0.00	0.00	0.00	0.00	-0.01	-0.01	-0.01
British Columbia	0.09	0.09	0.09	0.00	-0.01	-0.01	-0.01	-0.01	-0.01	-0.01
Territories	0.03	0.04	0.03	0.00	0.00	0.00	-0.01	-0.01	-0.01	-0.01

**Non-residential Machinery and Equipment Investment
All Industries
(Millions of Constant 1971 Dollars)**

Dioxin & Furan Reg., Option A	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Impact										
Canada	22.0	26.8	29.2	6.4	-1.4	-6.0	-6.1	-3.1	-1.1	0.0
Newfoundland	0.3	0.3	0.4	0.1	0.0	-0.1	-0.1	0.0	0.0	0.0
Prince Edward Island	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Nova Scotia	0.8	0.9	1.0	0.1	0.0	-0.1	-0.1	-0.1	0.0	0.0
New Brunswick	2.8	2.9	3.0	0.1	-0.1	-0.2	-0.2	-0.1	-0.1	-0.1
Quebec	5.5	6.5	7.0	1.5	-0.2	-1.1	-1.1	-0.5	-0.1	0.1
Ontario	0.0	2.0	2.9	2.7	-0.8	-2.5	-2.4	-0.9	-0.1	0.3
TOtitoba	-0.1	0.0	0.1	0.2	0.0	-0.1	-0.2	-0.1	-0.1	0.0
Saskatchewan	0.2	0.3	0.4	0.2	0.1	-0.1	-0.2	-0.2	-0.1	0.0
Alberta	-0.4	0.5	0.7	0.8	-0.3	-0.9	-0.9	-0.4	-0.2	-0.1
British Columbia	12.8	13.3	13.6	0.6	-0.1	-0.7	-0.8	-0.6	-0.3	-0.2
Territories	0.0	0.0	0.1	0.0	-0.1	-0.1	-0.1	0.0	0.0	0.0
Dioxin & Furan Reg., Option A	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
% Impact										
Canada	0.12	0.14	0.14	0.03	-0.01	-0.02	-0.02	-0.01	0.00	0.00
Newfoundland	0.14	0.15	0.15	0.04	0.00	-0.02	-0.02	-0.01	-0.01	0.00
Prince Edward Island	-0.06	-0.04	-0.02	0.04	0.01	-0.03	-0.03	-0.02	-0.01	0.00
Nova Scotia	0.15	0.17	0.17	0.02	0.00	-0.02	-0.02	-0.01	-0.01	0.00
New Brunswick	0.74	0.73	0.68	0.02	-0.02	-0.04	-0.04	-0.03	-0.02	-0.02
Quebec	0.12	0.14	0.14	0.03	0.00	-0.02	-0.02	-0.01	0.00	0.00
Ontario	0.00	0.02	0.03	0.03	-0.01	-0.02	-0.02	-0.01	0.00	0.00
TOtitoba	-0.01	0.01	0.02	0.03	0.00	-0.02	-0.02	-0.01	-0.01	0.00
Saskatchewan	0.03	0.04	0.07	0.03	0.01	-0.02	-0.03	-0.02	-0.02	0.00
Alberta	-0.02	0.02	0.03	0.04	-0.01	-0.04	-0.03	-0.02	-0.01	0.00
British Columbia	0.61	0.60	0.58	0.02	-0.01	-0.02	-0.03	-0.02	-0.01	-0.01
Territories	0.01	0.04	0.06	0.03	-0.04	-0.07	-0.06	-0.01	-0.01	-0.02

**Non-residential Structures Investment
All Industries
(Millions of Constant 1971 Dollars)**

Dioxin & Furan Reg., Option A	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Impact										
Canada	34.8	37.0	37.1	1.7	-2.5	-5.1	-5.7	-4.4	-2.2	-1.4
Newfoundland	1.0	1.0	1.0	0.1	0.0	0.0	-0.1	0.0	0.0	0.0
Prince Edward Island	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Nova Scotia	1.3	1.3	1.3	0.1	0.0	-0.1	-0.1	-0.1	0.0	0.0
New Brunswick	4.7	4.8	4.8	0.0	-0.1	-0.2	-0.2	-0.1	0.0	0.0
Quebec	8.4	8.8	9.1	0.8	0.0	-0.9	-1.3	-1.0	-0.3	0.0
Ontario	0.3	1.3	1.4	1.2	-0.9	-2.1	-2.2	-1.5	-0.4	-0.1
TOtitoba	-0.1	0.0	0.0	0.1	0.0	-0.1	-0.1	-0.1	0.0	0.0
Saskatchewan	0.2	0.3	0.4	0.1	0.0	0.0	-0.1	-0.1	-0.1	-0.1
Alberta	-1.9	-1.4	-1.5	-0.2	-0.4	-0.2	-0.4	-0.5	-0.8	-0.7
British Columbia	20.8	20.8	20.6	-0.5	-1.0	-1.1	-1.0	-0.6	-0.3	-0.2
Territories	0.0	0.1	0.0	-0.1	-0.2	-0.3	-0.3	-0.3	-0.3	-0.3
Dioxin & Furan Reg., Option A	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
% Impact										
Canada	0.24	0.25	0.23	0.01	-0.01	-0.03	-0.03	-0.02	-0.01	-0.01
Newfoundland	0.28	0.22	0.19	0.01	0.00	-0.01	-0.01	-0.01	0.00	0.00
Prince Edward Island	-0.06	-0.05	-0.03	0.04	0.02	-0.01	-0.02	-0.01	-0.01	0.00
Nova Scotia	0.34	0.38	0.38	0.03	0.00	-0.02	-0.02	-0.02	-0.01	0.00
New Brunswick	1.30	1.27	1.16	0.01	-0.04	-0.07	-0.06	-0.04	-0.01	-0.01
Quebec	0.25	0.26	0.25	0.02	0.00	-0.02	-0.03	-0.02	-0.01	0.00
Ontario	0.01	0.03	0.03	0.02	-0.01	-0.03	-0.03	-0.02	-0.01	0.00
TOtitoba	-0.01	-0.01	0.00	0.01	0.00	-0.01	-0.01	-0.01	0.00	0.00
Saskatchewan	0.03	0.05	0.08	0.02	0.01	-0.01	-0.02	-0.02	-0.02	-0.01
Alberta	-0.07	-0.05	-0.05	-0.01	-0.01	-0.01	-0.01	-0.02	-0.02	-0.02
British Columbia	1.39	1.39	1.39	-0.03	-0.06	-0.07	-0.06	-0.04	-0.02	-0.01
Territories	0.02	0.04	0.01	-0.04	-0.10	-0.12	-0.08	-0.06	-0.06	-0.06

**Employment
All Industries
(Thousands)**

Dioxin & Furan Reg., Option B	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Impact										
Canada	3.6	3.8	3.6	-0.5	-1.2	-1.6	-2.0	-2.1	-2.2	-2.3
Newfoundland	0.0	0.1	0.1	0.1	0.1	0.0	0.0	0.0	0.0	0.0
Prince Edward Island	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Nova Scotia	0.0	0.0	0.0	-0.1	-0.1	-0.2	-0.2	-0.2	-0.2	-0.2
New Brunswick	0.3	0.1	0.0	-0.4	-0.5	-0.5	-0.5	-0.5	-0.5	-0.5
Quebec	0.8	1.0	1.0	0.2	-0.1	-0.3	-0.3	-0.4	-0.3	-0.3
Ontario	1.3	1.6	1.9	0.8	0.6	0.4	0.2	0.2	0.2	0.2
Manitoba	0.0	0.1	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0
Saskatchewan	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-0.1	-0.1	-0.1
Alberta	-0.1	0.1	0.2	0.3	0.2	0.2	0.2	0.2	0.1	0.1
British Columbia	1.2	0.9	0.4	-1.3	-1.4	-1.4	-1.4	-1.5	-1.5	-1.5
Territories	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Dioxin & Furan Reg., Option B	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
% Impact										
Canada	0.03	0.03	0.03	0.00	-0.01	-0.01	-0.01	-0.02	-0.02	-0.02
Newfoundland	0.02	0.04	0.04	0.04	0.03	0.03	0.02	0.02	0.02	0.02
Prince Edward Island	-0.01	-0.01	0.00	0.02	0.01	0.01	0.01	0.01	0.01	0.01
Nova Scotia	0.01	0.00	-0.01	-0.03	-0.04	-0.04	-0.05	-0.05	-0.05	-0.05
New Brunswick	0.09	0.04	-0.01	-0.14	-0.15	-0.16	-0.16	-0.16	-0.17	-0.17
Quebec	0.03	0.03	0.03	0.01	0.00	-0.01	-0.01	-0.01	-0.01	-0.01
Ontario	0.02	0.03	0.03	0.01	0.01	0.01	0.00	0.00	0.00	0.00
Manitoba	0.01	0.01	0.02	0.01	0.01	0.00	0.00	0.00	0.00	0.00
Saskatchewan	0.00	0.00	0.00	0.00	-0.01	-0.01	-0.01	-0.01	-0.01	-0.01
Alberta	-0.01	0.01	0.01	0.02	0.02	0.02	0.02	0.01	0.01	0.01
British Columbia	0.08	0.06	0.03	-0.09	-0.09	-0.09	-0.09	-0.09	-0.09	-0.09
Territories	0.04	0.06	0.06	0.03	0.02	0.02	0.01	0.01	0.01	0.01

**Non-residential Machinery and Equipment Investment
All Industries
(Millions of Constant 1971 Dollars)**

Dioxin & Furan Reg., Option B	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Impact										
Canada	26.7	34.7	41.1	16.8	6.6	-1.4	-3.8	-0.4	1.5	2.4
Newfoundland	0.5	0.8	1.1	0.8	0.6	0.5	0.5	0.5	0.5	0.5
Prince Edward Island	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Nova Scotia	0.6	0.4	0.2	-0.6	-0.8	-0.9	-0.9	-0.9	-0.9	-0.8
New Brunswick	2.4	1.2	0.1	-3.5	-3.7	-3.8	-3.8	-3.7	-3.7	-3.7
Quebec	7.7	10.5	13.0	7.1	4.8	2.9	2.4	3.0	3.4	3.6
Ontario	1.9	7.3	12.1	13.6	8.9	5.4	4.4	5.9	6.8	7.1
TOTitoba	0.0	0.3	0.6	0.7	0.5	0.2	0.2	0.2	0.3	0.4
Saskatchewan	0.1	0.0	0.2	0.0	-0.2	-0.5	-0.6	-0.5	-0.4	-0.3
Alberta	-0.1	1.7	3.1	3.9	2.4	1.3	0.9	1.5	1.7	1.8
British Columbia	13.8	12.3	10.7	-5.1	-5.9	-6.5	-6.7	-6.4	-6.2	-6.2
Territories	0.0	0.1	0.1	0.1	-0.1	-0.2	-0.1	0.0	0.0	-0.1
Dioxin & Furan Reg., Option B	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
% Impact										
Canada	0.14	0.18	0.20	0.08	0.03	-0.01	-0.02	0.00	0.01	0.01
Newfoundland	0.26	0.36	0.44	0.29	0.23	0.18	0.16	0.16	0.16	0.15
Prince Edward Island	-0.06	-0.03	0.01	0.08	0.04	-0.01	-0.02	0.00	0.01	0.02
Nova Scotia	0.10	0.07	0.04	-0.10	-0.13	-0.14	-0.15	-0.14	-0.13	-0.12
New Brunswick	0.62	0.31	0.02	-0.81	-0.86	-0.86	-0.85	-0.81	-0.79	-0.77
Quebec	0.17	0.22	0.26	0.14	0.09	0.05	0.04	0.05	0.06	0.06
Ontario	0.02	0.09	0.13	0.14	0.09	0.05	0.04	0.05	0.06	0.06
TOTitoba	0.01	0.06	0.10	0.10	0.06	0.03	0.02	0.03	0.04	0.05
Saskatchewan	0.01	0.01	0.03	0.00	-0.03	-0.06	-0.07	-0.06	-0.05	-0.04
Alberta	-0.01	0.09	0.15	0.17	0.10	0.05	0.04	0.05	0.06	0.06
British Columbia	0.66	0.55	0.46	-0.21	-0.23	-0.24	-0.24	-0.23	-0.22	-0.21
Territories	0.02	0.05	0.08	0.04	-0.05	-0.10	-0.08	-0.02	-0.02	-0.02

**Non-residential Structures Investment
All Industries
(Millions of Constant 1971 Dollars)**

Dioxin & Furan Reg., Option B	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Impact										
Canada	42.5	45.8	46.7	4.2	-0.6	-3.8	-4.7	-3.4	-0.9	0.0
Newfoundland	1.3	1.5	1.6	0.5	0.4	0.3	0.3	0.3	0.4	0.4
Prince Edward Island	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Nova Scotia	1.2	1.2	1.1	-0.1	-0.2	-0.3	-0.3	-0.3	-0.3	-0.3
New Brunswick	5.5	5.1	4.6	-1.4	-1.5	-1.7	-1.6	-1.5	-1.5	-1.5
Quebec	10.7	11.6	12.4	2.3	1.4	0.3	-0.1	0.2	1.2	1.5
Ontario	1.2	3.6	4.7	4.5	1.8	0.2	-0.1	0.6	1.9	2.2
TOtoba	0.0	0.1	0.2	0.3	0.2	0.1	0.0	0.0	0.1	0.1
Saskatchewan	0.2	0.2	0.3	0.1	0.0	-0.1	-0.2	-0.2	-0.2	-0.2
Alberta	-1.9	-0.8	-0.3	1.6	1.5	1.5	0.9	0.6	0.2	0.3
British Columbia	24.4	23.4	22.1	-3.6	-3.8	-3.7	-3.2	-2.7	-2.3	-2.3
Territories	0.1	0.1	0.1	-0.1	-0.3	-0.3	-0.4	-0.4	-0.4	-0.4
Dioxin & Furan Reg., Option B	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
% Impact										
Canada	0.29	0.30	0.30	0.03	0.00	-0.02	-0.02	-0.02	0.00	0.00
Newfoundland	0.37	0.32	0.30	0.08	0.06	0.05	0.05	0.06	0.06	0.06
Prince Edward Island	-0.07	-0.05	-0.03	0.05	0.03	-0.01	-0.01	0.00	0.01	0.02
Nova Scotia	0.32	0.34	0.31	-0.03	-0.06	-0.08	-0.09	-0.08	-0.06	-0.06
New Brunswick	1.49	1.34	1.10	-0.40	-0.50	-0.53	-0.49	-0.44	-0.41	-0.39
Quebec	0.32	0.34	0.34	0.06	0.03	0.01	0.00	0.01	0.03	0.04
Ontario	0.03	0.07	0.09	0.08	0.03	0.00	0.00	0.01	0.03	0.03
TOtoba	0.00	0.02	0.04	0.05	0.02	0.01	0.00	0.00	0.01	0.02
Saskatchewan	0.02	0.04	0.06	0.02	-0.01	-0.03	-0.04	-0.04	-0.04	-0.03
Alberta	-0.07	-0.03	-0.01	0.06	0.05	0.05	0.03	0.02	0.01	0.01
British Columbia	1.63	1.56	1.49	-0.23	-0.24	-0.22	-0.18	-0.15	-0.13	-0.13
Territories	0.04	0.07	0.05	-0.04	-0.12	-0.15	-0.11	-0.09	-0.08	-0.08

**Employment
All Industries
(Thousands)**

Dioxin & Furan Reg., Option C	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Impact										
Canada	4.2	4.6	4.5	0.0	-0.7	-1.2	-1.5	-1.6	-1.6	-1.5
Newfoundland	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Prince Edward Island	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Nova Scotia	0.1	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
New Brunswick	0.4	0.4	0.4	0.0	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1
Quebec	0.9	1.0	1.1	0.2	-0.1	-0.3	-0.4	-0.4	-0.4	-0.3
Ontario	0.9	0.9	0.9	0.0	-0.2	-0.4	-0.5	-0.5	-0.6	-0.6
Manitoba	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Saskatchewan	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Alberta	-0.2	-0.1	-0.1	0.0	0.0	0.0	-0.1	-0.1	-0.1	-0.1
British Columbia	2.1	2.1	2.0	-0.2	-0.3	-0.3	-0.3	-0.3	-0.3	-0.3
Territories	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Dioxin & Furan Reg., Option C	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
% Impact										
Canada	0.03	0.04	0.03	0.00	-0.01	-0.01	-0.01	-0.01	-0.01	-0.01
Newfoundland	0.02	0.03	0.03	0.02	0.01	0.01	0.00	0.00	0.00	0.00
Prince Edward Island	-0.03	-0.02	-0.01	0.01	0.00	0.00	0.00	-0.01	-0.01	-0.01
Nova Scotia	0.02	0.03	0.03	0.00	0.00	-0.01	-0.01	-0.01	-0.01	-0.01
New Brunswick	0.14	0.14	0.13	-0.01	-0.02	-0.03	-0.03	-0.03	-0.03	-0.02
Quebec	0.03	0.03	0.03	0.00	0.00	-0.01	-0.01	-0.01	-0.01	-0.01
Ontario	0.02	0.02	0.02	0.00	0.00	-0.01	-0.01	-0.01	-0.01	-0.01
Manitoba	0.01	0.01	0.01	0.00	0.00	0.00	0.00	-0.01	-0.01	-0.01
Saskatchewan	0.00	0.00	0.01	0.00	0.00	-0.01	-0.01	-0.01	-0.01	-0.01
Alberta	-0.01	-0.01	0.00	0.00	0.00	0.00	-0.01	-0.01	-0.01	-0.01
British Columbia	0.15	0.15	0.14	-0.01	-0.02	-0.02	-0.02	-0.02	-0.02	-0.02
Territories	0.04	0.05	0.05	0.01	0.00	0.00	-0.01	-0.01	-0.01	-0.01

**Non-residential Machinery and Equipment Investment
All Industries
(Millions of Constant 1971 Dollars)**

Dioxin & Furan Reg., Option C	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Impact										
Canada	35.3	41.3	44.1	7.8	-1.9	-7.3	-7.6	-3.8	-1.4	0.0
Newfoundland	0.5	0.5	0.6	0.2	0.1	0.0	0.0	0.0	0.0	0.0
Prince Edward Island	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Nova Scotia	1.0	1.1	1.1	0.1	-0.1	-0.2	-0.2	-0.2	-0.1	-0.1
New Brunswick	3.8	3.9	3.9	-0.3	-0.5	-0.6	-0.6	-0.5	-0.5	-0.5
Quebec	8.2	9.4	10.1	2.2	0.1	-1.0	-1.1	-0.3	0.2	0.5
Ontario	0.2	2.7	3.9	3.9	-0.3	-2.4	-2.3	-0.5	0.5	1.0
TOtitoba	-0.1	0.0	0.1	0.3	0.0	-0.1	-0.2	-0.1	-0.1	0.0
Saskatchewan	0.1	0.2	0.4	0.2	0.0	-0.2	-0.3	-0.3	-0.2	-0.1
Alberta	-0.2	0.9	1.3	1.1	-0.3	-1.0	-1.0	-0.4	-0.2	0.0
British Columbia	21.9	22.5	22.6	0.0	-0.9	-1.5	-1.6	-1.3	-1.0	-0.9
Territories	0.0	0.0	0.1	0.0	-0.1	-0.1	-0.1	-0.1	0.0	-0.1
Dioxin & Furan Reg., Option C	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
% Impact										
Canada	0.19	0.21	0.21	0.03	-0.01	-0.03	-0.03	-0.01	-0.01	0.00
Newfoundland	0.23	0.23	0.23	0.07	0.02	0.00	-0.01	0.00	0.01	0.01
Prince Edward Island	-0.09	-0.07	-0.04	0.05	0.01	-0.03	-0.04	-0.03	-0.02	-0.01
Nova Scotia	0.17	0.20	0.20	0.01	-0.02	-0.04	-0.04	-0.03	-0.02	-0.02
New Brunswick	1.01	0.98	0.89	-0.07	-0.12	-0.14	-0.14	-0.12	-0.10	-0.10
Quebec	0.18	0.20	0.20	0.04	0.00	-0.02	-0.02	-0.01	0.00	0.01
Ontario	0.00	0.03	0.04	0.04	0.00	-0.02	-0.02	0.00	0.00	0.01
TOtitoba	-0.02	0.01	0.02	0.04	0.01	-0.02	-0.02	-0.02	-0.01	0.00
Saskatchewan	0.02	0.03	0.07	0.03	0.01	-0.03	-0.04	-0.04	-0.03	-0.01
Alberta	-0.01	0.05	0.06	0.05	-0.01	-0.04	-0.04	-0.02	-0.01	0.00
British Columbia	1.05	1.01	0.97	0.00	-0.04	-0.06	-0.06	-0.05	-0.04	-0.03
Territories	0.02	0.04	0.06	0.03	-0.05	-0.09	-0.08	-0.03	-0.02	-0.02

**Non-residential Structures Investment
All Industries
(Millions of Constant 1971 Dollars)**

Dioxin & Furan Reg., Option C	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Impact										
Canada	56.0	58.7	59.0	2.1	-3.3	-7.1	-7.9	-6.2	-3.2	-1.9
Newfoundland	1.6	1.7	1.7	0.2	0.0	0.0	0.0	0.0	0.0	0.1
Prince Edward Island	-0.1	-0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Nova Scotia	1.5	1.6	1.6	0.1	0.0	-0.1	-0.2	-0.1	-0.1	0.0
New Brunswick	6.6	6.6	6.6	-0.1	-0.3	-0.5	-0.4	-0.3	-0.2	-0.2
Quebec	12.4	12.9	13.2	1.2	0.1	-1.1	-1.6	-1.2	-0.2	0.2
Ontario	0.7	1.9	2.3	2.1	-0.4	-2.2	-2.5	-1.8	-0.4	0.0
TOtitoba	-0.1	-0.1	0.0	0.1	0.0	-0.1	-0.1	-0.1	0.0	0.0
Saskatchewan	0.1	0.2	0.3	0.2	0.0	-0.1	-0.2	-0.2	-0.2	-0.1
Alberta	-2.3	-1.6	-1.7	-0.2	-0.5	-0.3	-0.7	-0.8	-1.1	-1.0
British Columbia	35.7	35.6	35.1	-1.3	-2.0	-2.2	-1.7	-1.2	-0.6	-0.5
Territories	0.1	0.1	0.0	-0.2	-0.4	-0.4	-0.4	-0.4	-0.4	-0.4
Dioxin & Furan Reg., Option C	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
% Impact										
Canada	0.38	0.39	0.37	0.01	-0.02	-0.04	-0.04	-0.03	-0.02	-0.01
Newfoundland	0.46	0.36	0.31	0.03	0.01	-0.01	-0.01	0.00	0.00	0.01
Prince Edward Island	-0.10	-0.07	-0.05	0.06	0.03	-0.02	-0.03	-0.02	-0.01	0.00
Nova Scotia	0.40	0.45	0.45	0.03	-0.01	-0.03	-0.04	-0.03	-0.01	-0.01
New Brunswick	1.79	1.75	1.59	-0.03	-0.11	-0.15	-0.13	-0.09	-0.06	-0.05
Quebec	0.37	0.37	0.37	0.03	0.00	-0.03	-0.04	-0.03	-0.01	0.00
Ontario	0.01	0.04	0.04	0.04	-0.01	-0.03	-0.04	-0.03	-0.01	0.00
TOtitoba	-0.02	-0.01	0.00	0.02	0.00	-0.01	-0.02	-0.01	0.00	0.00
Saskatchewan	0.01	0.03	0.07	0.03	0.01	-0.02	-0.03	-0.03	-0.03	-0.02
Alberta	-0.09	-0.06	-0.06	-0.01	-0.01	-0.01	-0.02	-0.02	-0.03	-0.03
British Columbia	2.38	2.38	2.36	-0.08	-0.12	-0.13	-0.10	-0.07	-0.03	-0.03
Territories	0.03	0.04	0.00	-0.09	-0.17	-0.20	-0.13	-0.10	-0.09	-0.09

**Gross Domestic Product
All Industries
(millions of Constant 1971 Dollars)**

Dioxin & Furan Reg., Option D	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Impact										
Canada	194.9	175.7	160.3	-44.2	-39.7	-36.5	-41.0	-32.6	-27.3	-28.7
Newfoundland	1.9	2.1	1.0	-0.3	-0.4	-0.4	-0.5	-0.5	-0.5	-0.5
Prince Edward Island	-0.2	-0.2	-0.2	0.0	0.0	-0.1	-0.1	-0.1	-0.1	-0.1
Nova Scotia	2.3	2.7	3.4	0.8	0.3	0.3	0.3	0.4	0.5	0.5
New Brunswick	8.8	9.2	12.5	2.8	2.1	1.9	1.9	2.1	2.3	2.4
Quebec	42.2	42.1	33.8	-7.2	-9.4	-9.7	-10.8	-8.7	-6.9	-6.9
Ontario	74.0	55.3	42.1	-35.2	-26.1	-23.3	-25.8	-21.1	-18.9	-20.2
Manitoba	3.7	3.3	2.7	-1.4	-1.6	-1.6	-1.5	-1.3	-1.1	-1.1
Saskatchewan	1.6	0.5	0.9	-1.6	-0.8	-0.7	-0.7	-0.9	-0.9	-1.0
Alberta	0.8	0.1	-2.5	-6.9	-6.5	-5.3	-5.3	-5.1	-5.4	-5.6
British Columbia	58.6	59.4	65.4	5.0	2.9	2.5	1.9	2.9	3.9	3.9
Territories	1.2	1.2	1.0	-0.2	-0.3	-0.3	-0.3	-0.3	-0.2	-0.2
Dioxin & Furan Reg., Option D	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
% Impact										
Canada	0.12	0.11	0.10	-0.03	-0.02	-0.02	-0.02	-0.02	-0.01	-0.01
Newfoundland	0.10	0.10	0.05	-0.01	-0.02	-0.02	-0.02	-0.02	-0.02	-0.02
Prince Edward Island	-0.05	-0.05	-0.05	0.00	-0.01	-0.02	-0.02	-0.02	-0.01	-0.01
Nova Scotia	0.06	0.07	0.09	0.02	0.01	0.01	0.01	0.01	0.01	0.01
New Brunswick	0.28	0.28	0.37	0.08	0.06	0.06	0.05	0.06	0.07	0.07
Quebec	0.12	0.11	0.09	-0.02	-0.02	-0.02	-0.03	-0.02	-0.02	-0.02
Ontario	0.11	0.08	0.06	-0.05	-0.04	-0.03	-0.03	-0.03	-0.02	-0.02
Manitoba	0.06	0.05	0.04	-0.02	-0.02	-0.02	-0.02	-0.02	-0.02	-0.02
Saskatchewan	0.03	0.01	0.02	-0.03	-0.01	-0.01	-0.01	-0.01	-0.02	-0.02
Alberta	0.00	0.00	-0.01	-0.04	-0.04	-0.03	-0.03	-0.03	-0.03	-0.03
British Columbia	0.33	0.33	0.36	0.03	0.01	0.01	0.01	0.01	0.02	0.02
Territories	0.15	0.15	0.12	-0.02	-0.04	-0.03	-0.04	-0.03	-0.02	-0.02

**Employment
All Industries
(Thousands)**

Dioxin & Furan Reg., Option D	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Impact										
Canada	8.7	9.8	10.0	1.0	-0.7	-1.6	-2.1	-2.2	-2.2	-2.1
Newfoundland	0.1	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Prince Edward Island	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Nova Scotia	0.1	0.2	0.2	0.1	0.1	0.0	0.0	0.0	0.0	0.0
New Brunswick	0.6	0.7	0.9	0.2	0.2	0.1	0.1	0.1	0.1	0.1
Quebec	1.8	2.3	2.2	0.4	-0.2	-0.5	-0.6	-0.6	-0.6	-0.5
Ontario	2.5	2.5	2.2	-0.3	-0.8	-1.1	-1.4	-1.3	-1.3	-1.4
Manitoba	0.1	0.1	0.1	0.0	0.0	0.0	-0.1	-0.1	-0.1	-0.1
Saskatchewan	0.0	0.0	0.1	0.0	0.0	0.0	0.0	-0.1	-0.1	-0.1
Alberta	-0.3	-0.1	-0.1	0.0	-0.2	-0.2	-0.2	-0.3	-0.3	-0.3
British Columbia	3.9	4.1	4.4	0.5	0.3	0.1	0.1	0.1	0.1	0.1
Territories	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Dioxin & Furan Reg., Option D	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
% Impact										
Canada	0.07	0.08	0.08	0.01	-0.01	-0.01	-0.02	-0.02	-0.02	-0.01
Newfoundland	0.04	0.06	0.03	0.02	0.01	0.00	-0.01	-0.01	-0.01	-0.01
Prince Edward Island	-0.05	-0.04	-0.03	0.01	0.00	-0.01	-0.01	-0.01	-0.02	-0.01
Nova Scotia	0.03	0.05	0.06	0.04	0.02	0.01	0.01	0.00	0.00	0.00
New Brunswick	0.22	0.24	0.29	0.07	0.05	0.04	0.04	0.04	0.04	0.04
Quebec	0.06	0.07	0.07	0.01	-0.01	-0.02	-0.02	-0.02	-0.02	-0.02
Ontario	0.05	0.05	0.04	-0.01	-0.01	-0.02	-0.02	-0.02	-0.02	-0.02
Manitoba	0.01	0.02	0.03	0.01	0.00	-0.01	-0.01	-0.01	-0.01	-0.01
Saskatchewan	0.00	0.00	0.01	0.01	0.01	0.00	0.00	-0.01	-0.01	-0.01
Alberta	-0.02	-0.01	-0.01	0.00	-0.01	-0.02	-0.02	-0.02	-0.03	-0.03
British Columbia	0.27	0.29	0.30	0.03	0.02	0.01	0.01	0.01	0.01	0.01
Territories	0.08	0.10	0.08	0.00	-0.01	-0.01	-0.02	-0.03	-0.03	-0.03

**Non-residential Machinery and Equipment Investment
All Industries
(Millions of Constant 1971 Dollars)**

Dioxin & Furan Reg., Option D	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Impact										
Canada	62.5	74.8	79.5	13.3	-7.8	-19.0	-18.3	-10.0	-4.3	-1.3
Newfoundland	0.8	1.0	0.6	0.0	-0.2	-0.4	-0.4	-0.3	-0.3	-0.2
Prince Edward Island	-0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Nova Scotia	1.4	1.7	2.3	0.7	0.3	0.0	0.0	0.1	0.2	0.3
New Brunswick	5.7	6.1	8.1	1.7	1.2	0.9	0.9	1.0	1.1	1.2
Quebec	14.8	17.5	16.3	1.9	-2.6	-4.8	-4.6	-2.9	-1.7	-1.1
Ontario	0.8	5.4	4.8	2.9	-6.4	-10.4	-9.5	-5.4	-3.0	-1.9
TOtitoba	-0.2	0.1	0.1	0.4	-0.1	-0.5	-0.6	-0.5	-0.3	-0.2
Saskatchewan	-0.1	0.2	0.8	0.7	0.4	-0.2	-0.5	-0.4	-0.2	0.0
Alberta	-0.2	1.8	1.7	0.9	-2.0	-3.5	-3.2	-2.0	-1.4	-0.9
British Columbia	39.5	41.1	44.5	4.0	1.8	0.2	0.0	0.6	1.3	1.6
Territories	0.0	0.1	0.2	0.1	-0.2	-0.3	-0.3	-0.1	-0.1	-0.1
Dioxin & Furan Reg., Option D	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
% Impact										
Canada	0.33	0.38	0.38	0.06	-0.03	-0.08	-0.07	-0.04	-0.02	0.00
Newfoundland	0.42	0.45	0.26	-0.01	-0.08	-0.13	-0.13	-0.10	-0.08	-0.06
Prince Edward Island	-0.16	-0.13	-0.07	0.09	0.02	-0.07	-0.10	-0.07	-0.04	-0.02
Nova Scotia	0.26	0.31	0.40	0.12	0.05	0.00	0.00	0.01	0.03	0.04
New Brunswick	1.51	1.52	1.86	0.39	0.29	0.20	0.20	0.22	0.24	0.25
Quebec	0.33	0.37	0.33	0.04	-0.05	-0.09	-0.08	-0.05	-0.03	-0.02
Ontario	0.01	0.06	0.05	0.03	-0.06	-0.10	-0.09	-0.05	-0.03	-0.02
TOtitoba	-0.04	0.01	0.02	0.05	-0.01	-0.06	-0.08	-0.06	-0.04	-0.02
Saskatchewan	-0.01	0.02	0.13	0.10	0.05	-0.03	-0.07	-0.05	-0.03	0.00
Alberta	-0.01	0.10	0.08	0.04	-0.08	-0.14	-0.13	-0.08	-0.05	-0.03
British Columbia	1.90	1.84	1.92	0.16	0.07	0.01	0.00	0.02	0.04	0.05
Territories	0.03	0.11	0.17	0.09	-0.10	-0.20	-0.16	-0.04	-0.03	-0.04

**Non-residential Structures Investment
All Industries
(Millions of Constant 1971 Dollars)**

Dioxin & Furan Reg., Option D	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Impact										
Canada	98.7	104.5	104.7	3.7	-7.9	-15.2	-16.8	-13.1	-7.0	-4.6
Newfoundland	2.7	2.8	2.6	0.1	-0.1	-0.3	-0.3	-0.3	-0.2	-0.1
Prince Edward Island	-0.1	-0.1	-0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0
Nova Scotia	2.1	2.3	2.5	0.4	0.1	-0.1	-0.1	-0.1	0.0	0.1
New Brunswick	9.8	10.0	10.8	0.8	0.3	0.0	0.1	0.2	0.4	0.5
Quebec	22.1	23.3	23.1	1.7	-0.6	-3.2	-4.1	-3.3	-1.3	-0.5
Ontario	2.6	5.2	4.4	2.1	-3.3	-6.7	-7.0	-5.1	-2.0	-1.3
TOtitoba	-0.2	-0.1	-0.1	0.1	-0.1	-0.2	-0.3	-0.3	-0.1	0.0
Saskatchewan	-0.3	-0.2	0.2	0.4	0.2	0.0	-0.2	-0.3	-0.3	-0.2
Alberta	-3.9	-2.8	-3.5	-1.3	-1.9	-1.5	-1.9	-2.1	-2.7	-2.5
British Columbia	63.7	63.9	64.7	-0.3	-1.8	-2.5	-2.0	-1.1	-0.1	0.2
Territories	0.1	0.2	0.0	-0.3	-0.6	-0.8	-0.8	-0.7	-0.7	-0.7
Dioxin & Furan Reg., Option D	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
% Impact										
Canada	0.67	0.69	0.66	0.02	-0.05	-0.08	-0.09	-0.07	-0.03	-0.02
Newfoundland	0.78	0.62	0.47	0.02	-0.02	-0.04	-0.05	-0.05	-0.03	-0.02
Prince Edward Island	-0.18	-0.13	-0.10	0.11	0.06	-0.02	-0.04	-0.04	-0.03	-0.01
Nova Scotia	0.57	0.66	0.70	0.11	0.03	-0.02	-0.03	-0.03	0.01	0.02
New Brunswick	2.67	2.64	2.60	0.23	0.11	0.01	0.02	0.06	0.12	0.14
Quebec	0.66	0.67	0.65	0.04	-0.02	-0.08	-0.10	-0.08	-0.03	-0.01
Ontario	0.05	0.11	0.08	0.04	-0.06	-0.10	-0.11	-0.07	-0.03	-0.02
TOtitoba	-0.04	-0.02	-0.03	0.02	-0.01	-0.03	-0.05	-0.04	-0.02	-0.01
Saskatchewan	-0.04	-0.03	0.04	0.07	0.03	0.00	-0.03	-0.05	-0.04	-0.03
Alberta	-0.14	-0.11	-0.12	-0.04	-0.06	-0.04	-0.06	-0.06	-0.08	-0.07
British Columbia	4.25	4.27	4.36	-0.02	-0.11	-0.15	-0.12	-0.06	0.00	0.01
Territories	0.06	0.09	0.02	-0.13	-0.30	-0.35	-0.22	-0.17	-0.15	-0.15

**Gross Domestic Product
All Industries
(millions of Constant 1971 Dollars)**

Dioxin & Furan Reg., Comp. Opt.	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Impact										
Canada	108.6	93.6	81.9	-34.0	-30.9	-29.1	-31.8	-26.8	-23.8	-24.3
Newfoundland	1.1	1.1	1.0	0.0	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1
Prince Edward Island	-0.1	-0.1	-0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Nova Scotia	1.4	1.5	1.3	-0.3	-0.6	-0.5	-0.6	-0.5	-0.4	-0.4
New Brunswick	5.7	5.6	5.3	-0.7	-1.0	-1.1	-1.1	-0.9	-0.8	-0.8
Quebec	24.0	22.4	20.0	-5.3	-6.7	-6.9	-7.5	-6.3	-5.2	-5.1
Ontario	39.5	28.2	22.6	-18.5	-13.1	-11.7	-13.4	-10.7	-9.5	-10.0
Manitoba	2.0	1.8	1.6	-0.7	-0.8	-0.8	-0.8	-0.6	-0.5	-0.5
Saskatchewan	1.1	0.5	0.4	-1.1	-0.6	-0.6	-0.6	-0.7	-0.7	-0.7
Alberta	-0.1	-0.4	-1.3	-3.1	-2.7	-2.1	-2.1	-2.0	-2.2	-2.3
British Columbia	33.2	32.3	30.4	-4.3	-5.3	-5.2	-5.4	-4.8	-4.2	-4.3
Territories	0.7	0.8	0.7	0.0	-0.1	-0.1	-0.2	-0.1	-0.1	-0.1
Dioxin & Furan Reg., Comp. Opt.	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
% Impact										
Canada	0.07	0.06	0.05	-0.02	-0.02	-0.02	-0.02	-0.01	-0.01	-0.01
Newfoundland	0.06	0.05	0.04	0.00	0.00	0.00	-0.01	-0.01	0.00	0.00
Prince Edward Island	-0.03	-0.03	-0.02	0.00	0.00	-0.01	-0.01	-0.01	0.00	0.00
Nova Scotia	0.04	0.04	0.03	-0.01	-0.01	-0.01	-0.01	-0.01	-0.01	-0.01
New Brunswick	0.18	0.17	0.16	-0.02	-0.03	-0.03	-0.03	-0.03	-0.02	-0.02
Quebec	0.07	0.06	0.05	-0.01	-0.02	-0.02	-0.02	-0.01	-0.01	-0.01
Ontario	0.06	0.04	0.03	-0.03	-0.02	-0.02	-0.02	-0.01	-0.01	-0.01
Manitoba	0.03	0.03	0.02	-0.01	-0.01	-0.01	-0.01	-0.01	-0.01	-0.01
Saskatchewan	0.02	0.01	0.01	-0.02	-0.01	-0.01	-0.01	-0.01	-0.01	-0.01
Alberta	0.00	0.00	-0.01	-0.02	-0.02	-0.01	-0.01	-0.01	-0.01	-0.01
British Columbia	0.19	0.18	0.17	-0.02	-0.03	-0.03	-0.03	-0.02	-0.02	-0.02
Territories	0.09	0.10	0.08	0.00	-0.01	-0.01	-0.02	-0.01	-0.01	-0.01

**Employment
All Industries
(Thousands)**

Dioxin & Furan Reg., Comp. Opt.	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Impact										
Canada	5.0	5.5	5.5	0.3	-0.7	-1.2	-1.6	-1.6	-1.6	-1.6
Newfoundland	0.0	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Prince Edward Island	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Nova Scotia	0.1	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
New Brunswick	0.4	0.4	0.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Quebec	1.1	1.4	1.4	0.2	-0.1	-0.3	-0.4	-0.4	-0.4	-0.4
Ontario	1.3	1.3	1.3	0.0	-0.3	-0.5	-0.7	-0.7	-0.7	-0.7
Manitoba	0.0	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Saskatchewan	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Alberta	-0.2	-0.1	-0.1	0.0	0.0	-0.1	-0.1	-0.1	-0.1	-0.2
British Columbia	2.2	2.3	2.2	0.0	-0.2	-0.2	-0.3	-0.3	-0.3	-0.3
Territories	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Dioxin & Furan Reg., Comp. Opt.	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
% Impact										
Canada	0.04	0.04	0.04	0.00	-0.01	-0.01	-0.01	-0.01	-0.01	-0.01
Newfoundland	0.03	0.03	0.03	0.02	0.01	0.00	0.00	0.00	0.00	0.00
Prince Edward Island	-0.03	-0.02	-0.02	0.01	0.00	0.00	-0.01	-0.01	-0.01	-0.01
Nova Scotia	0.02	0.03	0.03	0.01	0.00	-0.01	-0.01	-0.01	-0.01	-0.01
New Brunswick	0.15	0.15	0.15	0.00	-0.01	-0.01	-0.02	-0.02	-0.01	-0.01
Quebec	0.04	0.04	0.04	0.01	0.00	-0.01	-0.01	-0.01	-0.01	-0.01
Ontario	0.02	0.02	0.02	0.00	-0.01	-0.01	-0.01	-0.01	-0.01	-0.01
Manitoba	0.01	0.01	0.01	0.01	0.00	0.00	-0.01	-0.01	-0.01	-0.01
Saskatchewan	0.00	0.00	0.01	0.00	0.00	0.00	-0.01	-0.01	-0.01	-0.01
Alberta	-0.02	-0.01	-0.01	0.00	0.00	-0.01	-0.01	-0.01	-0.01	-0.01
British Columbia	0.16	0.16	0.15	0.00	-0.01	-0.02	-0.02	-0.02	-0.02	-0.02
Territories	0.05	0.06	0.05	0.01	0.00	0.00	-0.01	-0.01	-0.01	-0.01

Non-residential Machinery and Equipment Investment
All Industries
(Millions of Constant 1971 Dollars)

Dioxin & Furan Reg., Comp. Opt.	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Impact										
Canada	39.1	46.3	49.6	9.1	-2.8	-9.4	-9.5	-4.8	-1.9	-0.1
Newfoundland	0.5	0.6	0.6	0.1	0.0	-0.1	-0.1	-0.1	0.0	0.0
Prince Edward Island	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Nova Scotia	1.0	1.2	1.3	0.2	0.0	-0.2	-0.2	-0.1	-0.1	-0.1
New Brunswick	3.9	4.1	4.2	0.1	-0.2	-0.4	-0.4	-0.3	-0.2	-0.2
Quebec	10.2	11.7	12.4	2.2	-0.3	-1.7	-1.7	-0.7	-0.1	0.2
Ontario	0.7	3.6	4.8	3.9	-1.3	-3.8	-3.6	-1.3	0.0	0.6
TOitoba	-0.1	0.0	0.2	0.3	0.0	-0.2	-0.3	-0.2	-0.1	0.0
Saskatchewan	0.1	0.2	0.5	0.3	0.1	-0.2	-0.4	-0.3	-0.2	-0.1
Alberta	-0.3	0.9	1.3	1.1	-0.5	-1.4	-1.4	-0.7	-0.3	-0.1
British Columbia	23.2	23.9	24.3	0.7	-0.4	-1.2	-1.4	-1.0	-0.7	-0.5
Territories	0.0	0.1	0.1	0.1	-0.1	-0.2	-0.1	-0.1	0.0	-0.1
Dioxin & Furan Reg., Comp. Opt.	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
% Impact										
Canada	0.21	0.23	0.24	0.04	-0.01	-0.04	-0.04	-0.02	-0.01	0.00
Newfoundland	0.26	0.27	0.26	0.06	0.01	-0.03	-0.03	-0.02	-0.01	0.00
Prince Edward Island	-0.10	-0.08	-0.04	0.06	0.01	-0.04	-0.05	-0.04	-0.02	-0.01
Nova Scotia	0.19	0.21	0.22	0.03	-0.01	-0.03	-0.03	-0.02	-0.01	-0.01
New Brunswick	1.04	1.02	0.96	0.01	-0.05	-0.08	-0.08	-0.06	-0.05	-0.04
Quebec	0.23	0.25	0.25	0.04	-0.01	-0.03	-0.03	-0.01	0.00	0.00
Ontario	0.01	0.04	0.05	0.04	-0.01	-0.04	-0.03	-0.01	0.00	0.00
TOitoba	-0.02	0.01	0.03	0.04	0.00	-0.03	-0.03	-0.02	-0.01	0.00
Saskatchewan	0.02	0.03	0.07	0.04	0.01	-0.03	-0.05	-0.04	-0.03	-0.01
Alberta	-0.02	0.05	0.06	0.05	-0.02	-0.06	-0.05	-0.03	-0.01	0.00
British Columbia	1.11	1.07	1.04	0.03	-0.02	-0.04	-0.05	-0.04	-0.02	-0.02
Territories	0.02	0.06	0.09	0.04	-0.06	-0.11	-0.09	-0.03	-0.02	-0.03

**Non-residential Structures Investment
All Industries
(Millions of Constant 1971 Dollars)**

Dioxin & Furan Reg., Comp. Opt.	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Impact										
Canada	61.9	65.2	65.5	2.5	-4.1	-8.4	-9.4	-7.3	-3.8	-2.3
Newfoundland	1.7	1.8	1.8	0.1	0.0	-0.1	-0.1	-0.1	0.0	0.0
Prince Edward Island	-0.1	-0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Nova Scotia	1.6	1.7	1.7	0.2	0.0	-0.1	-0.2	-0.1	0.0	0.0
New Brunswick	6.8	6.9	6.9	0.1	-0.2	-0.4	-0.3	-0.2	-0.1	-0.1
Quebec	15.4	16.1	16.4	1.3	0.0	-1.6	-2.1	-1.7	-0.4	0.1
Ontario	1.6	3.1	3.3	2.0	-1.0	-3.1	-3.4	-2.3	-0.6	-0.2
TOtitoba	-0.1	-0.1	0.0	0.1	0.0	-0.1	-0.2	-0.1	-0.1	0.0
Saskatchewan	0.0	0.1	0.3	0.2	0.1	-0.1	-0.2	-0.2	-0.2	-0.1
Alberta	-2.8	-2.1	-2.2	-0.4	-0.7	-0.5	-0.8	-1.0	-1.4	-1.2
British Columbia	37.6	37.6	37.2	-1.0	-1.8	-2.1	-1.7	-1.1	-0.5	-0.4
Territories	0.1	0.1	0.0	-0.2	-0.4	-0.5	-0.5	-0.5	-0.4	-0.4
Dioxin & Furan Reg., Comp. Opt.	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
% Impact										
Canada	0.42	0.43	0.41	0.01	-0.02	-0.05	-0.05	-0.04	-0.02	-0.01
Newfoundland	0.50	0.40	0.34	0.02	0.00	-0.01	-0.01	-0.01	0.00	0.00
Prince Edward Island	-0.11	-0.08	-0.06	0.07	0.03	-0.02	-0.03	-0.03	-0.01	0.00
Nova Scotia	0.43	0.48	0.48	0.04	0.00	-0.03	-0.04	-0.03	-0.01	0.00
New Brunswick	1.85	1.82	1.66	0.02	-0.07	-0.12	-0.10	-0.07	-0.03	-0.02
Quebec	0.46	0.46	0.46	0.03	0.00	-0.04	-0.05	-0.04	-0.01	0.00
Ontario	0.03	0.06	0.06	0.04	-0.02	-0.05	-0.05	-0.03	-0.01	0.00
TOtitoba	-0.03	-0.01	-0.01	0.02	0.00	-0.02	-0.02	-0.02	-0.01	0.00
Saskatchewan	0.01	0.02	0.06	0.04	0.01	-0.01	-0.03	-0.03	-0.03	-0.02
Alberta	-0.10	-0.08	-0.08	-0.01	-0.02	-0.01	-0.02	-0.03	-0.04	-0.03
British Columbia	2.51	2.51	2.51	-0.06	-0.11	-0.12	-0.10	-0.06	-0.03	-0.02
Territories	0.04	0.05	0.01	-0.09	-0.19	-0.22	-0.14	-0.11	-0.10	-0.10

APPENDIX G
SENSITIVITY RESULTS

MAJOR ECONOMIC INDICATORS

Exchange Rate Flexible	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
% Impact										
*** Gross National Expenditure ***										
QGNPC Value	-0.03	-0.14	-0.10	-0.10	0.00	-0.02	0.01	0.03	0.04	0.05
QPGNE Price	-0.02	-0.10	-0.08	-0.09	-0.02	-0.03	0.00	0.02	0.03	0.04
QGNEXK Volume	-0.01	-0.05	-0.02	-0.01	0.02	0.01	0.01	0.01	0.01	0.01
*** Volumes (Mn\$71) ***										
QCZK Consumption Expenditure	0.01	0.03	0.01	0.01	-0.01	0.00	-0.01	-0.01	-0.01	-0.01
QCDURK Durables	0.01	0.05	0.01	0.02	-0.02	0.00	-0.01	-0.01	-0.01	-0.01
QOTHER Other	0.01	0.03	0.01	0.01	-0.01	0.00	-0.01	-0.01	-0.01	-0.01
QGVEXK Government Expenditure	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
QGCURK Current	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
QGFICK Capital	0.00	-0.01	0.00	0.00	0.01	0.00	0.00	0.00	0.00	0.00
QBUINN Business Investment	0.00	-0.02	-0.02	0.01	0.02	0.04	0.02	0.02	0.00	0.01
QIR Residential	-0.02	-0.06	0.02	0.00	0.07	0.01	0.02	0.01	0.00	0.00
QCINP Nonresidential	0.00	-0.01	-0.03	0.01	0.01	0.05	0.02	0.02	0.00	0.01
QTVPCK Inventory Change (a)	-3.7	-18.7	-0.9	15.3	19.1	10.3	-8.7	2.9	-2.5	-0.4
QNTXPK Net Exports (a)	-19.7	-93.3	-38.2	-47.6	33.4	-1.1	24.6	28.2	33.0	35.7
QXPTXK Exports	-0.01	-0.03	-0.02	-0.02	0.02	0.01	0.01	0.02	0.02	0.02
QIMPMK Imports	0.03	0.13	0.05	0.06	-0.04	0.01	-0.02	-0.03	-0.03	-0.04
*** Labour Market ***										
QLBFOR Labour Force (a)	0.09	0.40	0.00	0.17	-0.16	0.18	-0.06	-0.11	-0.23	-0.24
QTEET Employment (a)	-0.54	-2.92	-2.09	-1.27	1.12	1.23	1.01	1.35	1.25	1.44
QUT Unemployment (a)	0.64	3.32	2.09	1.44	-1.28	-1.05	-1.07	-1.46	-1.47	-1.68
QURATE Unemployment Rate (%) (a)	0.00	0.02	0.01	0.01	-0.01	-0.01	-0.01	-0.01	-0.01	-0.01
*** Wages and Prices ***										
QTEWET Wage & Salary/Employee (\$C)	-0.01	-0.07	-0.07	-0.08	-0.04	-0.03	-0.01	0.01	0.02	0.03
QTEYET Output per Employee (\$71)	-0.01	-0.03	0.00	0.00	0.02	0.01	0.00	0.01	0.00	0.01
QPRULC Priv. Non-Agr Unit Lab. Cost	-0.01	-0.04	-0.07	-0.08	-0.06	-0.03	-0.01	0.00	0.02	0.02
QIMPMP Impl. Deflator of Imports	-0.06	-0.29	-0.16	-0.18	0.06	0.00	0.06	0.09	0.10	0.11
QTEP Implicit Output Deflator	-0.02	-0.10	-0.08	-0.09	-0.02	-0.03	0.00	0.02	0.03	0.04
QCPI Consumer Price Index	-0.02	-0.09	-0.07	-0.08	-0.02	-0.02	0.00	0.02	0.03	0.04
*** Incomes ***										
QYDPOP Disposable Income/Capita (\$71)	0.01	0.04	0.01	0.02	-0.02	0.01	-0.01	-0.01	-0.01	-0.01
QCP Corporate Profits (\$C)	-0.18	-0.93	-0.10	-0.26	0.62	0.00	0.26	0.27	0.26	0.30
Government Balances (Mn\$C)										
QGOBAL All-Governments (a)	-73.0	-352.3	-131.3	-177.8	168.5	1.9	105.6	104.0	111.8	140.8
QGBALF Federal (a)	-53.0	-255.2	-90.7	-127.5	129.5	3.1	80.8	74.9	81.5	103.3
QGBALJ Non-Federal (a)	-19.8	-96.8	-40.3	-50.1	39.0	-1.1	24.8	29.1	30.3	37.3
QCRBAL Current Account Balance (a)	-49.3	-236.0	-77.7	-131.3	101.6	-32.9	68.4	82.2	110.9	127.3
*** Financial ***										
QREXNC Exchange Rate (US/CAN)	0.06	0.30	0.17	0.18	-0.06	0.00	-0.06	-0.09	-0.10	-0.11
QCNPFC Prime Comm. Paper Rate (a)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
QRINDB Industrial Bond Rate (a)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

(a) Level Impact

**MAJOR ECONOMIC INDICATORS
LABOUR FORCE AND EMPLOYMENT
(Thousands)**

Exchange Rate Flexible		1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
						Impact					
QPOP	Population	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
QHONO	Households	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
QLBFOR	Labour Force	0.09	0.40	0.00	0.17	-0.16	0.18	-0.06	-0.11	-0.23	-0.24
QCSPMF	Civilian Source Population	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
QPRATE	Participation Rate (%)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TEET	Total Employment	-0.543	-2.916	-2.088	-1.273	1.117	1.229	1.012	1.348	1.247	1.441
AGET	Agriculture	-0.005	-0.039	-0.024	0.028	0.063	0.072	0.006	0.011	-0.018	-0.025
FSET	Fisheries	-0.008	-0.018	-0.018	-0.017	0.025	0.027	0.028	0.033	0.036	0.039
FOET	Forestry	-0.006	-0.030	-0.030	-0.025	-0.001	0.007	0.013	0.018	0.021	0.022
MIET	Mining	-0.023	-0.120	-0.097	-0.068	0.015	0.022	0.023	0.058	0.068	0.077
MAET	Manufacturing	-0.313	-1.661	-1.035	-0.656	0.696	0.665	0.611	0.654	0.583	0.653
UTET	Utilities	-0.007	-0.035	-0.023	-0.013	0.015	0.013	0.010	0.016	0.016	0.018
COET	Construction	-0.067	-0.320	-0.130	-0.093	0.212	0.112	0.155	0.159	0.115	0.101
TSET	Transport, Storage & Comm.	-0.032	-0.182	-0.201	-0.185	-0.053	-0.012	0.006	0.043	0.064	0.093
TRET	Trade	0.021	0.057	-0.112	0.061	-0.023	0.171	0.012	0.075	0.040	0.037
FIET	Finance, Insur. & Real Est	-0.009	-0.044	-0.007	0.017	0.052	0.021	-0.009	-0.016	-0.017	-0.005
CSET	Services	-0.104	-0.566	-0.417	-0.331	0.139	0.136	0.164	0.305	0.344	0.435
ADET	Public Administration	0.009	0.041	0.007	0.007	-0.024	-0.005	-0.008	-0.008	-0.005	-0.005
QUT	Unemployment	0.637	3.316	2.093	1.439	-1.277	-1.046	-1.074	-1.455	-1.474	-1.679
QURATE	Unemployment Rate (%)	0.00	0.02	0.01	0.01	-0.01	-0.01	-0.01	-0.01	-0.01	-0.01
Special Aggregations											
GOODS	Goods-Producing	-0.35	-1.87	-1.20	-0.74	0.80	0.79	0.68	0.77	0.69	0.77
SVC	Services	-0.19	-1.05	-0.88	-0.54	0.32	0.44	0.33	0.57	0.56	0.67
SVCP	Private	-0.20	-1.08	-0.89	-0.55	0.32	0.43	0.33	0.57	0.56	0.68
SVCPU	Public	0.01	0.03	0.01	0.01	0.00	0.01	0.00	0.00	0.00	0.00

**FORESTRY AND FOREST PRODUCTS
MAJOR INDICATORS**

Exchange Rate Flexible	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
	% Impact									
INDICATIONS OF DEMAND (\$71 Mn.)										
Final Demand										
Consum.Exp.Non-dur.Household	0.01	0.04	0.01	0.02	-0.02	0.00	-0.01	-0.01	-0.01	-0.01
Wood Exports	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Sect. III Exports	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Lumber Exports	-0.07	-0.32	-0.13	-0.11	0.21	0.09	0.16	0.14	0.14	0.13
Pulp Exports	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Newsprint Exports	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Paper Exports	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Wood Imports	0.02	0.09	0.02	0.02	-0.06	-0.02	-0.03	-0.03	-0.03	-0.03
Other Sect. IV Imports	0.01	0.03	0.01	0.01	-0.02	0.00	-0.01	-0.01	-0.01	-0.01
Intermediate Industry Requirements										
Furniture Manufacture	-0.01	-0.05	0.00	0.02	0.05	0.02	0.00	0.01	0.00	0.01
Food-Processing Manufacture	0.00	-0.01	-0.01	0.01	0.02	0.02	0.00	0.00	0.00	0.00
Tobacco Manufacture	-0.02	-0.09	-0.10	-0.12	-0.10	-0.12	-0.14	-0.10	-0.09	-0.04
Printing & Publishing	-0.03	-0.16	-0.04	-0.03	0.09	0.02	0.03	0.04	0.04	0.04
INDICATIONS OF INDUSTRY ACTIVITY										
Gross Domestic Product (\$71 Mn.)										
Forestry	-0.03	-0.15	-0.05	-0.02	0.10	0.05	0.05	0.05	0.05	0.04
Wood Products Manufacture	-0.05	-0.22	-0.06	-0.05	0.15	0.06	0.08	0.09	0.08	0.07
Pulp & Paper	-0.01	-0.06	-0.02	-0.01	0.04	0.02	0.01	0.01	0.01	0.01
Paper Converters	-0.03	-0.12	-0.04	-0.01	0.08	0.03	0.02	0.03	0.02	0.03
Factory Gate Prices (1971=1)										
Forestry	-0.02	-0.10	-0.08	-0.11	-0.04	-0.05	0.00	0.02	0.03	0.04
Wood Products Manufacture	-0.02	-0.12	-0.09	-0.11	-0.02	-0.04	0.01	0.02	0.04	0.05
Pulp & Paper	-0.02	-0.07	0.00	-0.04	-0.01	-0.07	-0.04	-0.02	0.00	0.01
Paper Converters	-0.02	-0.08	0.00	-0.04	0.00	-0.07	-0.04	-0.02	0.00	0.01
Export Prices (1971=1)										
Wood	-0.06	-0.30	-0.17	-0.18	0.06	0.00	0.06	0.09	0.10	0.11
Other Sect. III	-0.06	-0.30	-0.17	-0.18	0.06	0.00	0.06	0.09	0.10	0.11
Lumber	-0.06	-0.31	-0.17	-0.18	0.07	0.00	0.07	0.10	0.11	0.12
Pulp	-0.02	-0.10	-0.03	-0.06	0.00	-0.05	-0.02	0.00	0.01	0.03
Newsprint	-0.02	-0.09	-0.03	-0.06	0.00	-0.05	-0.02	0.00	0.01	0.03
Paper	-0.02	-0.10	-0.03	-0.06	0.00	-0.05	-0.02	0.00	0.01	0.03
Investment (\$71 Mn.)										
Forestry	-0.03	-0.13	-0.03	-0.03	0.08	0.04	0.06	0.05	0.04	0.03
Wood Products Manufacture	-0.01	-0.06	-0.13	-0.03	0.02	0.10	0.06	0.04	0.06	0.04
Pulp & Paper	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Paper Converters	0.00	0.00	0.00	0.11	0.09	0.05	-0.11	-0.15	-0.09	-0.05
Capital to Output Ratio										
Forestry	0.03	0.14	0.04	0.01	-0.11	-0.05	-0.04	-0.05	-0.04	-0.03
Wood Products Manufacture	0.05	0.21	0.05	0.03	-0.16	-0.07	-0.08	-0.08	-0.07	-0.07
Pulp & Paper	0.01	0.06	0.02	0.01	-0.04	-0.02	-0.01	-0.01	-0.01	-0.01
Paper Converters	0.03	0.12	0.04	0.02	-0.06	-0.02	-0.01	-0.03	-0.03	-0.04

**FORESTRY AND FOREST PRODUCTS
MAJOR INDICATORS**

Exchange Rate Flexible	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
INDICATIONS OF INDUSTRY ACTIVITY (continued)										
	& Impact									
Employment ('000s)										
Forestry	-0.01	-0.04	-0.04	-0.04	0.00	0.01	0.02	0.02	0.03	0.03
Wood Products Manufacture	-0.05	-0.23	-0.11	-0.07	0.15	0.10	0.11	0.10	0.09	0.09
Pulp & Paper	0.00	-0.01	-0.01	-0.01	0.00	0.00	0.00	0.00	0.01	0.01
Paper Converters	-0.01	-0.06	-0.05	-0.03	0.01	0.02	0.02	0.02	0.02	0.02
Labour Productivity (\$71 Mn. per Person-Year)										
Forestry	-0.02	-0.11	-0.01	0.01	0.10	0.04	0.03	0.03	0.02	0.01
Wood Products Manufacture	0.00	0.01	0.04	0.02	0.00	-0.04	-0.03	-0.02	-0.02	-0.01
Pulp & Paper	-0.01	-0.05	-0.01	0.01	0.04	0.02	0.01	0.01	0.01	0.01
Paper Converters	-0.01	-0.07	0.01	0.02	0.07	0.01	0.00	0.01	0.00	0.01
Capital to Labour Ratio										
Forestry	0.01	0.03	0.03	0.02	-0.01	-0.01	-0.02	-0.02	-0.02	-0.02
Wood Products Manufacture	0.05	0.22	0.09	0.05	-0.16	-0.10	-0.11	-0.10	-0.09	-0.08
Pulp & Paper	0.00	0.01	0.01	0.01	0.00	0.00	0.00	0.00	-0.01	-0.01
Paper Converters	0.01	0.06	0.05	0.04	0.00	0.00	-0.01	-0.02	-0.02	-0.03
INDICATIONS OF COSTS (1971=1)										
Prices of Material Inputs										
Petroleum & Coal Products	0.00	0.01	-0.05	-0.05	-0.05	0.00	0.02	0.00	0.00	-0.01
Industrial Chemicals	-0.03	-0.17	-0.10	-0.12	0.01	-0.03	0.02	0.04	0.05	0.06
Other Chemicals	-0.04	-0.18	-0.10	-0.13	0.01	-0.03	0.02	0.04	0.05	0.07
Electric Power	-0.01	-0.04	-0.05	-0.07	-0.06	-0.06	-0.04	-0.02	0.00	0.02
Motor Transport Services	-0.01	-0.06	-0.07	-0.08	-0.04	-0.04	-0.01	0.01	0.02	0.03
Wholesale Services	0.00	-0.03	-0.05	-0.06	-0.05	-0.03	-0.01	0.00	0.01	0.02
Financial Services	-0.01	-0.05	-0.06	-0.07	-0.04	-0.03	-0.01	0.00	0.01	0.02
Business Services	-0.01	-0.07	-0.06	-0.08	-0.03	-0.03	-0.01	0.01	0.02	0.03
Office & Laboratory Services	-0.03	-0.15	-0.09	-0.11	0.00	-0.03	0.01	0.03	0.04	0.06
Labour Inputs										
-Wages per Person-Year (\$C)										
Forestry	-0.01	-0.07	-0.08	-0.09	-0.06	-0.05	-0.02	0.00	0.01	0.02
Manufacturing	-0.01	-0.06	-0.08	-0.09	-0.06	-0.03	-0.01	0.02	0.02	0.03
-Unit Labour Costs (1971=1)										
Forestry	0.01	0.04	-0.08	-0.11	-0.16	-0.08	-0.05	-0.03	-0.01	0.00
Manufacturing	0.00	-0.01	-0.09	-0.10	-0.10	-0.04	0.00	0.00	0.02	0.02
Capital Costs										
-Investment Deflators										
Forestry	-0.03	-0.15	-0.11	-0.12	-0.02	-0.03	0.01	0.03	0.04	0.05
Wood Products Manufacture	-0.04	-0.21	-0.14	-0.14	0.01	-0.02	0.03	0.05	0.06	0.08
Pulp & Paper	-0.03	-0.17	-0.11	-0.12	0.00	-0.02	0.02	0.04	0.05	0.06
Paper Converters	-0.04	-0.17	-0.11	-0.12	0.00	-0.02	0.02	0.04	0.05	0.06

MAJOR ECONOMIC INDICATORS

Inelastic		1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
% Impact											
*** Gross National Expenditure ***											
QGNPC	Value	0.01	0.02	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03
QPGNE	Price	0.00	0.00	0.00	-0.01	-0.01	-0.01	0.00	0.00	0.00	0.00
QGNEXK	Volume	0.01	0.02	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03
*** Volumes (Mn\$71) ***											
QCZK	Consumption Expenditure	0.00	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01
QCDURK	Durables	0.00	0.01	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.01
QOTHER	Other	0.00	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01
QGVEXK	Government Expenditure	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
QGCURK	Current	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
QGFICK	Capital	0.00	0.01	0.01	0.01	0.01	0.01	0.02	0.02	0.02	0.02
QBUIIN	Business Investment	0.00	0.01	0.01	0.02	0.02	0.02	0.01	0.01	0.01	0.01
QIR	Residential	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
QCINP	Nonresidential	0.00	0.01	0.02	0.02	0.03	0.02	0.02	0.01	0.01	0.01
QTVPCK	Inventory Change (a)	4.2	7.9	9.5	5.5	0.7	-1.8	-2.8	-2.5	-1.5	-1.0
QNTXPK	Net Exports (a)	10.4	20.8	33.1	36.0	40.0	43.5	46.3	48.4	49.3	49.7
QXPTXK	Exports	0.02	0.04	0.07	0.07	0.07	0.07	0.07	0.07	0.06	0.06
QIMPXK	Imports	0.00	0.01	0.01	0.01	0.01	0.00	0.00	0.00	-0.01	-0.01
*** Labour Market ***											
QLBFOR	Labour Force (a)	0.09	0.20	0.30	0.31	0.27	0.21	0.16	0.12	0.12	0.14
QTEET	Employment (a)	0.46	1.17	2.01	2.44	2.63	2.68	2.64	2.59	2.54	2.47
QUT	Unemployment (a)	-0.37	-0.97	-1.71	-2.13	-2.36	-2.46	-2.49	-2.47	-2.41	-2.33
QURATE	Unemployment Rate (%) (a)	0.00	-0.01	-0.01	-0.02	-0.02	-0.02	-0.02	-0.02	-0.02	-0.02
*** Wages and Prices ***											
QTEWET	Wage & Salary/Employee (\$C)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.01	0.01
QTEYET	Output per Employee (\$71)	0.01	0.01	0.02	0.01	0.01	0.01	0.01	0.01	0.01	0.01
QPRULC	Priv. Non-Agr Unit Lab. Cost	-0.01	-0.01	-0.01	-0.01	-0.01	-0.01	-0.01	0.00	0.00	0.00
QIMPMP	Impl. Deflator of Imports	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
QTEP	Implicit Output Deflator	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
QCPI	Consumer Price Index	0.00	-0.01	-0.01	-0.01	-0.01	-0.01	-0.01	-0.01	-0.01	0.00
*** Incomes ***											
QYDPOP	Disposable Income/Capita (\$71)	0.00	0.01	0.02	0.02	0.02	0.02	0.01	0.01	0.01	0.01
QCP	Corporate Profits (\$C)	0.05	0.10	0.14	0.12	0.10	0.09	0.08	0.08	0.07	0.07
Government Balances (Mn\$C)											
QGOBAL	All-Governments (a)	27.9	67.7	118.4	146.9	168.9	184.0	196.8	214.6	235.7	258.5
QGBALF	Federal (a)	19.2	46.0	79.4	97.4	111.2	120.8	128.7	140.6	154.4	168.8
QGBALJ	Non-Federal (a)	8.7	21.7	38.9	49.5	57.7	63.3	68.1	74.0	81.2	89.7
QCRBAL	Current Account Balance (a)	46.3	93.6	149.5	162.1	183.1	204.3	223.7	242.3	257.0	270.1
*** Financial ***											
QREXNC	Exchange Rate (US/CAN)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
QCNPFC	Prime Comm. Paper Rate (a)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
QRINDB	Industrial Bond Rate (a)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

(a) Level Impact

**FORESTRY AND FOREST PRODUCTS
MAJOR INDICATORS**

Inelastic	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
INDICATIONS OF DEMAND (\$71 Mn.)										
	% Impact									
Final Demand										
Consum. Exp. Non-dur. Household	0.02	0.05	0.08	0.10	0.10	0.10	0.09	0.08	0.08	0.07
Wood Exports	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Sect. III Exports	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Lumber Exports	0.00	0.00	0.01	0.02	0.03	0.03	0.04	0.03	0.03	0.03
Pulp Exports	0.26	0.51	0.79	0.80	0.81	0.79	0.77	0.75	0.73	0.71
Newsprint Exports	0.37	0.72	1.10	1.13	1.13	1.12	1.09	1.06	1.04	1.02
Paper Exports	0.64	1.25	1.91	1.95	1.96	1.93	1.88	1.83	1.78	1.74
Wood Imports	0.12	0.26	0.42	0.46	0.48	0.49	0.49	0.48	0.48	0.48
Other Sect. IV Imports	0.00	0.00	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01
Intermediate Industry Requirements										
Furniture Manufacture	0.01	0.02	0.02	0.03	0.03	0.02	0.02	0.02	0.01	0.01
Food-Processing Manufacture	0.01	0.02	0.03	0.03	0.02	0.02	0.01	0.01	0.01	0.01
Tobacco Manufacture	0.01	0.02	0.03	0.02	0.01	0.00	-0.01	-0.01	0.00	0.00
Printing & Publishing	0.01	0.03	0.04	0.04	0.04	0.03	0.03	0.03	0.02	0.02
INDICATIONS OF INDUSTRY ACTIVITY										
Gross Domestic Product (\$71 Mn.)										
Forestry	0.09	0.18	0.28	0.28	0.28	0.28	0.28	0.27	0.26	0.26
Wood Products Manufacture	0.02	0.04	0.07	0.07	0.08	0.08	0.08	0.07	0.07	0.07
Pulp & Paper	0.27	0.54	0.82	0.84	0.84	0.83	0.81	0.79	0.77	0.75
Paper Converters	0.03	0.06	0.09	0.09	0.08	0.08	0.07	0.07	0.07	0.07
Factory Gate Prices (1971=1)										
Forestry	-0.02	-0.04	-0.06	-0.06	-0.05	-0.04	-0.03	-0.03	-0.02	-0.01
Wood Products Manufacture	-0.01	-0.02	-0.02	-0.02	-0.02	-0.02	-0.01	-0.01	0.00	0.00
Pulp & Paper	-0.10	-0.20	-0.31	-0.31	-0.30	-0.28	-0.26	-0.25	-0.23	-0.22
Paper Converters	-0.11	-0.22	-0.35	-0.35	-0.33	-0.31	-0.30	-0.28	-0.27	-0.26
Export Prices (1971=1)										
Wood	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Sect. III	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Lumber	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Pulp	-0.08	-0.15	-0.24	-0.24	-0.23	-0.21	-0.20	-0.19	-0.18	-0.17
Newsprint	-0.07	-0.14	-0.22	-0.22	-0.21	-0.19	-0.18	-0.17	-0.16	-0.15
Paper	-0.08	-0.16	-0.24	-0.24	-0.23	-0.21	-0.20	-0.19	-0.18	-0.17
Investment (\$71 Mn.)										
Forestry	0.09	0.15	0.22	0.22	0.24	0.24	0.23	0.23	0.22	0.22
Wood Products Manufacture	0.01	0.03	0.05	0.06	0.05	0.05	0.06	0.06	0.06	0.06
Pulp & Paper	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Paper Converters	0.00	-0.09	-0.20	-0.31	-0.28	-0.18	-0.08	-0.01	0.00	0.00
Capital to Output Ratio										
Forestry	-0.09	-0.17	-0.24	-0.23	-0.22	-0.20	-0.18	-0.15	-0.13	-0.12
Wood Products Manufacture	-0.02	-0.04	-0.06	-0.06	-0.06	-0.06	-0.06	-0.05	-0.05	-0.04
Pulp & Paper	-0.27	-0.53	-0.82	-0.83	-0.83	-0.82	-0.80	-0.78	-0.76	-0.75
Paper Converters	-0.03	-0.07	-0.11	-0.13	-0.14	-0.14	-0.14	-0.13	-0.13	-0.13

**FORESTRY AND FOREST PRODUCTS
MAJOR INDICATORS**

Inelastic	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
% Impact										
INDICATIONS OF INDUSTRY ACTIVITY (continued)										
Employment ('000s)										
Forestry	0.02	0.06	0.11	0.14	0.17	0.19	0.20	0.20	0.21	0.20
Wood Products Manufacture	0.02	0.05	0.08	0.09	0.09	0.09	0.09	0.08	0.08	0.08
Pulp & Paper	0.05	0.13	0.25	0.35	0.42	0.48	0.52	0.55	0.57	0.58
Paper Converters	0.01	0.03	0.06	0.08	0.08	0.09	0.09	0.08	0.08	0.08
Labour Productivity (\$71 Mn. per Person-Year)										
Forestry	0.07	0.12	0.17	0.14	0.11	0.10	0.08	0.07	0.06	0.05
Wood Products Manufacture	0.00	0.00	-0.01	-0.01	-0.01	-0.01	-0.01	-0.01	-0.01	-0.01
Pulp & Paper	0.22	0.40	0.57	0.49	0.42	0.35	0.29	0.24	0.20	0.17
Paper Converters	0.02	0.03	0.03	0.02	0.00	-0.01	-0.01	-0.01	-0.01	-0.01
Capital to Labour Ratio										
Forestry	-0.02	-0.04	-0.07	-0.09	-0.10	-0.10	-0.10	-0.09	-0.08	-0.06
Wood Products Manufacture	-0.02	-0.05	-0.07	-0.08	-0.08	-0.07	-0.07	-0.06	-0.05	-0.05
Pulp & Paper	-0.05	-0.13	-0.25	-0.35	-0.42	-0.48	-0.52	-0.55	-0.57	-0.58
Paper Converters	-0.01	-0.04	-0.08	-0.11	-0.13	-0.15	-0.15	-0.15	-0.14	-0.14
INDICATIONS OF COSTS (1971=1)										
Prices of Material Inputs										
Petroleum & Coal Products	-0.01	-0.02	-0.02	-0.02	-0.02	-0.01	-0.01	-0.01	-0.01	-0.01
Industrial Chemicals	0.00	0.00	0.01	0.00	0.00	0.00	0.00	0.00	0.01	0.01
Other Chemicals	0.00	0.00	0.00	-0.01	-0.01	-0.01	-0.01	0.00	0.00	0.00
Electric Power	0.00	-0.01	-0.01	-0.02	-0.02	-0.03	-0.03	-0.02	-0.02	-0.02
Motor Transport Services	-0.01	-0.01	-0.01	-0.01	-0.01	-0.01	-0.01	0.00	0.00	0.00
Wholesale Services	0.00	-0.01	-0.02	-0.02	-0.02	-0.01	-0.01	-0.01	0.00	0.00
Financial Services	0.00	0.00	-0.01	-0.01	-0.01	-0.01	-0.01	-0.01	-0.01	0.00
Business Services	0.00	0.00	0.00	-0.01	-0.01	-0.01	-0.01	0.00	0.00	0.00
Office & Laboratory Services	-0.01	-0.01	-0.02	-0.02	-0.02	-0.02	-0.02	-0.01	-0.01	-0.01
Labour Inputs										
-Wages per Person-Year (\$C)										
Forestry	0.00	0.00	0.00	0.00	0.01	0.01	0.02	0.03	0.04	0.05
Manufacturing	0.00	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.02
-Unit Labour Costs (1971=1)										
Forestry	-0.07	-0.12	-0.17	-0.14	-0.11	-0.08	-0.06	-0.04	-0.02	0.00
Manufacturing	-0.01	-0.02	-0.03	-0.02	-0.01	-0.01	-0.01	0.00	0.00	0.01
Capital Costs										
-Investment Deflators										
Forestry	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.01	0.01
Wood Products Manufacture	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Pulp & Paper	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Paper Converters	0.00	0.00	0.00	0.00	-0.01	-0.01	-0.01	0.00	0.00	0.00

MAJOR ECONOMIC INDICATORS

Unitary Elasticity		1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
% Impact											
*** Gross National Expenditure ***											
QGNPC	Value	-0.01	-0.01	-0.02	-0.02	-0.02	-0.02	-0.02	-0.02	-0.02	-0.02
QPGNE	Price	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
QGNEXK	Volume	-0.01	-0.01	-0.02	-0.02	-0.02	-0.02	-0.02	-0.02	-0.02	-0.02
*** Volumes (Mn\$71) ***											
QCZK	Consumption Expenditure	0.00	0.00	-0.01	-0.01	-0.01	-0.01	-0.01	-0.01	-0.01	-0.01
QCDURK	Durables	0.00	-0.01	-0.01	-0.01	-0.01	-0.01	-0.01	-0.01	-0.01	-0.01
QOTHER	Other	0.00	0.00	-0.01	-0.01	-0.01	-0.01	-0.01	-0.01	-0.01	-0.01
QGVEXK	Government Expenditure	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
QGCURK	Current	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
QGFICK	Capital	0.00	0.00	-0.01	-0.01	-0.01	-0.01	-0.01	-0.01	-0.01	-0.01
QBUINN	Business Investment	0.00	0.00	-0.01	-0.01	-0.01	-0.01	-0.01	-0.01	0.00	0.00
QIR	Residential	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
QCINP	Nonresidential	0.00	0.00	-0.01	-0.02	-0.02	-0.01	-0.01	-0.01	-0.01	0.00
QTVPCK	Inventory Change	(a) -2.6	-4.9	-5.9	-3.4	-0.4	1.2	1.8	1.6	1.0	0.7
QNTXPK	Net Exports	(a) -6.5	-12.9	-20.6	-22.3	-24.8	-26.9	-28.6	-29.8	-30.3	-30.5
QXPTK	Exports	-0.01	-0.03	-0.04	-0.04	-0.04	-0.04	-0.04	-0.04	-0.04	-0.04
QIMPCK	Imports	0.00	0.00	-0.01	-0.01	0.00	0.00	0.00	0.00	0.00	0.00
*** Labour Market ***											
QLBFOR	Labour Force	(a) -0.06	-0.12	-0.19	-0.19	-0.17	-0.13	-0.09	-0.07	-0.07	-0.08
QTEET	Employment	(a) -0.29	-0.73	-1.25	-1.51	-1.63	-1.65	-1.63	-1.59	-1.55	-1.50
QUT	Unemployment	(a) 0.23	0.61	1.06	1.32	1.46	1.52	1.54	1.51	1.48	1.42
QURATE	Unemployment Rate (%)	(a) 0.00	0.00	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01
*** Wages and Prices ***											
QTEWET	Wage & Salary/Employee (\$C)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-0.01
QTEYET	Output per Employee (\$71)	0.00	-0.01	-0.01	-0.01	-0.01	-0.01	-0.01	0.00	0.00	0.00
QPRULC	Priv. Non-Agr Unit Lab. Cost	0.00	0.01	0.01	0.01	0.01	0.01	0.00	0.00	0.00	0.00
QIMPMP	Impl. Deflator of Imports	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
QTEP	Implicit Output Deflator	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
QCPI	Consumer Price Index	0.00	0.00	0.01	0.01	0.01	0.01	0.01	0.00	0.00	0.00
*** Incomes ***											
QYDPOP	Disposable Income/Capita (\$71)	0.00	-0.01	-0.01	-0.01	-0.01	-0.01	-0.01	-0.01	-0.01	-0.01
QCP	Corporate Profits (\$C)	-0.03	-0.07	-0.09	-0.08	-0.07	-0.06	-0.06	-0.06	-0.05	-0.05
Government Balances (Mn\$C)											
QGOBAL	All-Governments	(a) -17.8	-43.0	-75.1	-93.0	-106.8	-116.5	-123.9	-134.9	-148.1	-162.0
QGBALF	Federal	(a) -12.3	-29.3	-50.6	-62.0	-70.8	-76.8	-81.5	-88.9	-97.5	-106.5
QGBALJ	Non-Federal	(a) -5.5	-13.6	-24.5	-31.1	-36.1	-39.7	-42.4	-46.0	-50.5	-55.6
QCRBAL	Current Account Balance	(a) -30.0	-60.8	-97.3	-105.5	-118.6	-131.7	-143.6	-155.0	-164.3	-172.8
*** Financial ***											
QREXNC	Exchange Rate (US/CAN)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
QCNPFC	Prime Comm. Paper Rate	(a) 0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
QRINDB	Industrial Bond Rate	(a) 0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

(a) Level Impact

**FORESTRY AND FOREST PRODUCTS
MAJOR INDICATORS**

Unitary Elasticity	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
INDICATIONS OF INDUSTRY ACTIVITY (continued)										
% Impact										
Employment ('000s)										
Forestry	-0.01	-0.04	-0.07	-0.09	-0.11	-0.12	-0.12	-0.13	-0.13	-0.13
Wood Products Manufacture	-0.01	-0.03	-0.05	-0.05	-0.06	-0.06	-0.05	-0.05	-0.05	-0.05
Pulp & Paper	-0.03	-0.08	-0.16	-0.22	-0.26	-0.30	-0.32	-0.34	-0.35	-0.36
Paper Converters	-0.01	-0.02	-0.03	-0.04	-0.04	-0.04	-0.04	-0.04	-0.04	-0.03
Labour Productivity (\$71 Mn. per Person-Year)										
Forestry	-0.04	-0.08	-0.11	-0.09	-0.07	-0.06	-0.05	-0.04	-0.03	-0.03
Wood Products Manufacture	0.00	0.00	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.00
Pulp & Paper	-0.14	-0.25	-0.36	-0.31	-0.26	-0.22	-0.17	-0.14	-0.12	-0.10
Paper Converters	-0.01	-0.01	-0.01	-0.01	0.00	0.01	0.01	0.01	0.01	0.01
Capital to Labour Ratio										
Forestry	0.01	0.03	0.05	0.06	0.06	0.06	0.06	0.05	0.05	0.04
Wood Products Manufacture	0.01	0.03	0.04	0.05	0.05	0.05	0.04	0.04	0.03	0.03
Pulp & Paper	0.03	0.08	0.16	0.22	0.26	0.30	0.32	0.34	0.35	0.36
Paper Converters	0.01	0.02	0.04	0.06	0.07	0.08	0.08	0.08	0.08	0.07
INDICATIONS OF COSTS (1971=1)										
Prices of Material Inputs										
Petroleum & Coal Products	0.01	0.01	0.02	0.01	0.01	0.01	0.01	0.00	0.00	0.00
Industrial Chemicals	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Chemicals	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Electric Power	0.00	0.00	0.01	0.01	0.01	0.02	0.02	0.02	0.01	0.01
Motor Transport Services	0.00	0.01	0.01	0.01	0.01	0.01	0.00	0.00	0.00	0.00
Wholesale Services	0.00	0.01	0.01	0.01	0.01	0.01	0.01	0.00	0.00	0.00
Financial Services	0.00	0.00	0.00	0.01	0.01	0.01	0.01	0.00	0.00	0.00
Business Services	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Office & Laboratory Services	0.00	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.00
Labour Inputs										
-Wages per Person-Year (\$C)										
Forestry	0.00	0.00	0.00	0.00	0.00	-0.01	-0.01	-0.02	-0.02	-0.03
Manufacturing	0.00	0.00	-0.01	-0.01	-0.01	0.00	0.00	-0.01	-0.01	-0.01
-Unit Labour Costs (1971=1)										
Forestry	0.04	0.08	0.11	0.09	0.07	0.05	0.04	0.02	0.01	0.00
Manufacturing	0.01	0.01	0.02	0.01	0.01	0.01	0.00	0.00	0.00	-0.01
Capital Costs										
-Investment Deflators										
Forestry	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-0.01
Wood Products Manufacture	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Pulp & Paper	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Paper Converters	0.00	0.00	0.00	0.00	0.01	0.01	0.00	0.00	0.00	0.00

**Gross Domestic Product
All Industries
(Millions of Current Dollars)**

Effluent Reg., Propor. Distrib.	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Impact										
Canada	1034.4	1049.9	1133.4	253.1	527.6	773.1	850.0	958.6	1040.1	1071.3
Newfoundland	31.8	35.0	37.4	9.6	11.4	13.3	13.2	13.5	14.5	15.1
Prince Edward Island	-0.9	-1.2	-0.9	0.2	0.8	0.9	1.1	1.2	1.4	1.4
Nova Scotia	29.4	34.6	39.3	15.1	18.5	23.0	24.9	26.9	28.7	29.8
New Brunswick	54.3	58.9	62.9	12.0	13.7	16.8	18.7	21.3	23.3	24.7
Quebec	362.8	396.8	439.5	129.8	184.4	235.8	262.8	295.7	325.0	337.0
Ontario	315.4	264.5	277.9	37.3	201.9	325.4	362.7	419.6	459.2	471.0
Manitoba	16.2	18.8	22.8	11.8	18.2	24.7	27.1	30.0	32.2	33.4
Saskatchewan	7.3	4.0	4.9	-3.6	4.2	8.6	8.8	8.5	8.8	9.2
Alberta	-4.3	-1.9	-5.8	-9.1	6.3	32.0	32.7	33.3	28.9	27.8
British Columbia	214.1	231.1	246.0	49.2	68.0	91.8	98.2	108.5	117.4	120.9
Territories	8.3	9.4	9.2	0.9	0.1	0.7	0.0	0.0	0.6	0.9
Effluent Reg., Propor. Distrib.	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
% Impact										
Canada	0.16	0.16	0.16	0.03	0.07	0.10	0.10	0.11	0.11	0.11
Newfoundland	0.39	0.40	0.40	0.10	0.11	0.12	0.11	0.10	0.10	0.10
Prince Edward Island	-0.05	-0.06	-0.04	0.01	0.04	0.04	0.05	0.05	0.05	0.05
Nova Scotia	0.20	0.22	0.25	0.09	0.11	0.13	0.13	0.14	0.14	0.14
New Brunswick	0.45	0.45	0.46	0.09	0.09	0.11	0.12	0.13	0.14	0.14
Quebec	0.24	0.25	0.27	0.08	0.10	0.13	0.13	0.14	0.15	0.15
Ontario	0.12	0.10	0.10	0.01	0.06	0.10	0.10	0.11	0.12	0.11
Manitoba	0.07	0.08	0.09	0.04	0.06	0.08	0.09	0.09	0.10	0.09
Saskatchewan	0.03	0.02	0.02	-0.01	0.02	0.03	0.03	0.03	0.03	0.03
Alberta	-0.01	0.00	-0.01	-0.01	0.01	0.03	0.03	0.03	0.02	0.02
British Columbia	0.30	0.31	0.32	0.06	0.08	0.10	0.10	0.11	0.11	0.11
Territories	0.30	0.32	0.29	0.03	0.00	0.02	0.00	0.00	0.01	0.02

**Gross Domestic Product
All Industries
(millions of Constant 1971 Dollars)**

Effluent Reg., Propor. Distrib.	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Impact										
Canada	246.8	197.8	143.7	-142.1	-138.7	-128.5	-134.9	-124.5	-117.7	-118.8
Newfoundland	7.5	7.1	6.2	-1.4	-1.6	-1.6	-1.6	-1.5	-1.4	-1.4
Prince Edward Island	-0.2	-0.2	-0.2	0.1	0.1	0.0	0.0	0.0	0.0	0.0
Nova Scotia	6.6	6.2	4.9	-2.7	-3.3	-3.1	-3.1	-3.0	-2.8	-2.8
New Brunswick	12.7	11.1	8.9	-5.6	-6.3	-6.4	-6.2	-5.8	-5.5	-5.4
Quebec	82.2	70.3	54.1	-42.0	-46.3	-46.5	-46.7	-43.2	-39.8	-39.5
Ontario	85.3	59.8	40.7	-53.5	-44.0	-37.6	-42.3	-36.8	-33.9	-35.1
Manitoba	4.5	4.3	3.8	-1.1	-1.3	-1.2	-1.3	-1.0	-0.9	-0.8
Saskatchewan	1.7	0.8	0.5	-1.9	-0.7	-0.5	-0.8	-1.0	-1.0	-1.0
Alberta	-4.3	-4.2	-6.1	-4.9	-3.7	-1.1	-1.5	-1.8	-2.9	-3.2
British Columbia	48.6	40.2	28.6	-29.3	-31.4	-30.5	-31.2	-30.3	-29.4	-29.7
Territories	2.2	2.4	2.3	0.2	-0.1	-0.1	-0.2	-0.1	0.0	0.1
Effluent Reg., Propor. Distrib.	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
% Impact										
Canada	0.16	0.12	0.09	-0.08	-0.08	-0.07	-0.07	-0.07	-0.06	-0.06
Newfoundland	0.37	0.34	0.28	-0.06	-0.07	-0.07	-0.06	-0.06	-0.05	-0.05
Prince Edward Island	-0.05	-0.05	-0.03	0.01	0.01	0.00	0.00	0.00	0.00	0.01
Nova Scotia	0.18	0.16	0.13	-0.07	-0.08	-0.08	-0.08	-0.07	-0.07	-0.07
New Brunswick	0.40	0.34	0.26	-0.17	-0.18	-0.18	-0.18	-0.16	-0.15	-0.15
Quebec	0.23	0.19	0.14	-0.11	-0.11	-0.11	-0.11	-0.10	-0.09	-0.09
Ontario	0.13	0.09	0.06	-0.07	-0.06	-0.05	-0.06	-0.05	-0.04	-0.04
Manitoba	0.07	0.07	0.06	-0.02	-0.02	-0.02	-0.02	-0.01	-0.01	-0.01
Saskatchewan	0.03	0.02	0.01	-0.03	-0.01	-0.01	-0.01	-0.02	-0.02	-0.02
Alberta	-0.03	-0.03	-0.04	-0.03	-0.02	-0.01	-0.01	-0.01	-0.02	-0.02
British Columbia	0.27	0.22	0.16	-0.16	-0.16	-0.15	-0.15	-0.15	-0.14	-0.14
Territories	0.28	0.30	0.28	0.02	-0.01	-0.01	-0.02	-0.01	0.00	0.01

**Employment
All Industries
(Thousands)**

Effluent Reg., Propor. Distrib.	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Impact										
Canada	12.4	13.4	12.8	-0.9	-3.4	-4.7	-5.6	-5.9	-6.0	-6.1
Newfoundland	0.4	0.4	0.4	0.1	0.0	0.0	0.0	0.0	0.0	0.0
Prince Edward Island	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Nova Scotia	0.5	0.5	0.5	0.0	0.0	-0.1	-0.1	-0.1	-0.1	-0.1
New Brunswick	1.0	1.0	1.0	-0.1	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2
Quebec	5.2	5.6	5.4	-0.2	-1.1	-1.6	-1.6	-1.6	-1.4	-1.3
Ontario	2.6	2.8	2.5	-0.5	-1.6	-2.1	-2.7	-2.9	-3.0	-3.1
Manitoba	0.1	0.2	0.2	0.1	0.1	0.0	0.0	0.0	0.0	0.0
Saskatchewan	-0.1	0.0	0.0	0.1	0.1	0.0	0.0	0.0	-0.1	-0.1
Alberta	-0.7	-0.4	-0.3	0.2	0.1	0.1	0.1	0.0	-0.2	-0.2
British Columbia	3.3	3.2	3.0	-0.6	-0.9	-1.0	-1.0	-1.1	-1.0	-1.0
Territories	0.1	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Effluent Reg., Propor. Distrib.	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
% Impact										
Canada	0.10	0.10	0.10	-0.01	-0.03	-0.03	-0.04	-0.04	-0.04	-0.04
Newfoundland	0.25	0.26	0.24	0.04	0.02	0.01	0.00	0.00	0.00	0.00
Prince Edward Island	-0.05	-0.04	-0.02	0.02	0.01	0.00	0.00	-0.01	-0.01	-0.01
Nova Scotia	0.14	0.16	0.16	0.01	-0.01	-0.02	-0.02	-0.03	-0.03	-0.03
New Brunswick	0.36	0.35	0.32	-0.03	-0.05	-0.07	-0.07	-0.06	-0.06	-0.06
Quebec	0.17	0.18	0.17	-0.01	-0.03	-0.05	-0.05	-0.05	-0.04	-0.04
Ontario	0.05	0.05	0.05	-0.01	-0.03	-0.04	-0.05	-0.05	-0.05	-0.05
Manitoba	0.02	0.04	0.05	0.03	0.01	0.00	0.00	0.00	0.00	0.00
Saskatchewan	-0.01	0.00	0.01	0.01	0.01	0.00	0.00	-0.01	-0.01	-0.01
Alberta	-0.06	-0.03	-0.03	0.02	0.01	0.01	0.00	0.00	-0.01	-0.01
British Columbia	0.23	0.23	0.21	-0.04	-0.06	-0.06	-0.07	-0.07	-0.07	-0.07
Territories	0.16	0.19	0.18	0.04	0.01	0.02	0.00	-0.01	-0.01	-0.01

**Non-residential Machinery and Equipment Investment
All Industries
(Millions of Constant 1971 Dollars)**

Effluent Reg., Propor. Distrib.	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Impact										
Canada	57.7	76.0	85.9	25.7	-4.4	-23.1	-23.8	-12.1	-4.6	-1.2
Newfoundland	3.1	3.2	3.2	0.0	-0.3	-0.5	-0.6	-0.5	-0.4	-0.3
Prince Edward Island	-0.1	0.0	0.0	0.1	0.0	0.0	-0.1	0.0	0.0	0.0
Nova Scotia	3.1	3.5	3.6	0.4	-0.1	-0.5	-0.6	-0.4	-0.3	-0.2
New Brunswick	5.3	5.4	5.4	-0.3	-0.9	-1.3	-1.4	-1.2	-1.0	-0.9
Quebec	28.7	32.3	34.1	4.7	-1.7	-5.9	-6.0	-3.6	-1.8	-1.2
Ontario	1.2	10.3	15.4	14.7	1.3	-5.9	-5.5	0.0	3.2	4.4
TOtoba	0.4	1.0	1.4	1.0	0.4	-0.2	-0.4	-0.2	0.1	0.3
Saskatchewan	-0.3	0.1	0.6	0.9	0.3	-0.5	-0.9	-0.7	-0.4	-0.1
Alberta	-2.7	0.3	1.7	3.9	-0.4	-2.7	-2.6	-0.8	0.0	0.4
British Columbia	18.8	19.8	20.0	0.1	-2.8	-5.0	-5.5	-4.7	-3.8	-3.4
Territories	0.1	0.2	0.3	0.1	-0.3	-0.5	-0.4	-0.2	-0.2	-0.2
Effluent Reg., Propor. Distrib.	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
% Impact										
Canada	0.31	0.38	0.41	0.11	-0.02	-0.09	-0.10	-0.05	-0.02	0.00
Newfoundland	1.56	1.45	1.33	0.01	-0.10	-0.18	-0.19	-0.15	-0.11	-0.08
Prince Edward Island	-0.16	-0.10	-0.01	0.15	0.04	-0.10	-0.13	-0.08	-0.04	0.00
Nova Scotia	0.57	0.63	0.63	0.07	-0.02	-0.08	-0.09	-0.07	-0.04	-0.03
New Brunswick	1.40	1.36	1.24	-0.07	-0.21	-0.31	-0.31	-0.26	-0.21	-0.19
Quebec	0.64	0.69	0.69	0.09	-0.03	-0.10	-0.10	-0.06	-0.03	-0.02
Ontario	0.01	0.12	0.17	0.15	0.01	-0.06	-0.05	0.00	0.03	0.04
TOtoba	0.08	0.17	0.23	0.15	0.05	-0.03	-0.05	-0.02	0.01	0.04
Saskatchewan	-0.04	0.01	0.10	0.12	0.04	-0.07	-0.12	-0.09	-0.05	-0.01
Alberta	-0.16	0.02	0.08	0.17	-0.02	-0.11	-0.10	-0.03	0.00	0.01
British Columbia	0.90	0.89	0.86	0.00	-0.11	-0.18	-0.20	-0.17	-0.13	-0.11
Territories	0.06	0.15	0.22	0.10	-0.18	-0.33	-0.27	-0.09	-0.07	-0.09

**Non-residential Structures Investment
All Industries
(Millions of Constant 1971 Dollars)**

Effluent Reg., Propor. Distrib.	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Impact										
Canada	172.5	180.6	181.9	6.7	-9.3	-21.2	-24.4	-19.8	-10.7	-6.6
Newfoundland	11.6	11.6	11.6	0.0	-0.3	-0.5	-0.5	-0.4	-0.2	-0.2
Prince Edward Island	-0.2	-0.1	-0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0
Nova Scotia	9.2	9.5	9.5	0.3	-0.1	-0.4	-0.5	-0.4	-0.1	0.0
New Brunswick	17.3	17.4	17.4	-0.2	-0.8	-1.2	-1.1	-0.8	-0.4	-0.3
Quebec	83.5	85.4	86.2	2.7	-1.8	-6.8	-7.9	-6.0	-1.5	-0.1
Ontario	3.1	7.1	8.2	5.9	-1.3	-6.5	-7.4	-5.1	-0.9	0.5
TOtitoba	1.8	1.9	2.1	0.5	0.2	-0.1	-0.3	-0.3	-0.1	0.1
Saskatchewan	-0.5	-0.3	0.1	0.5	0.2	-0.1	-0.4	-0.5	-0.5	-0.4
Alberta	-11.4	-9.7	-9.8	0.0	-0.1	0.7	-0.6	-1.6	-3.2	-2.9
British Columbia	57.9	57.5	56.5	-2.6	-4.2	-4.8	-4.3	-3.3	-2.2	-1.9
Territories	0.2	0.3	0.0	-0.6	-1.2	-1.4	-1.5	-1.5	-1.4	-1.4
Effluent Reg., Propor. Distrib.	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
% Impact										
Canada	1.17	1.20	1.15	0.04	-0.05	-0.12	-0.13	-0.10	-0.05	-0.03
Newfoundland	3.32	2.54	2.12	0.00	-0.04	-0.08	-0.08	-0.07	-0.04	-0.02
Prince Edward Island	-0.24	-0.18	-0.13	0.14	0.07	-0.05	-0.08	-0.06	-0.02	0.01
Nova Scotia	2.51	2.70	2.66	0.08	-0.02	-0.10	-0.11	-0.09	-0.03	-0.01
New Brunswick	4.73	4.59	4.18	-0.05	-0.25	-0.37	-0.32	-0.22	-0.12	-0.09
Quebec	2.48	2.46	2.41	0.07	-0.05	-0.17	-0.19	-0.14	-0.04	0.00
Ontario	0.07	0.14	0.15	0.11	-0.02	-0.10	-0.11	-0.07	-0.01	0.01
TOtitoba	0.37	0.38	0.42	0.08	0.02	-0.01	-0.04	-0.03	-0.01	0.01
Saskatchewan	-0.07	-0.06	0.02	0.10	0.04	-0.02	-0.07	-0.09	-0.08	-0.06
Alberta	-0.42	-0.37	-0.35	0.00	0.00	0.02	-0.02	-0.05	-0.09	-0.08
British Columbia	3.86	3.84	3.80	-0.16	-0.26	-0.29	-0.25	-0.19	-0.12	-0.10
Territories	0.13	0.14	0.02	-0.28	-0.54	-0.65	-0.43	-0.35	-0.32	-0.31

**Non-residential Machinery and Equipment Investment
Manufacturing
(Millions of Constant 1971 Dollars)**

Effluent Reg., Propor. Distrib.	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Impact										
Canada	53.2	66.2	69.1	12.8	-7.1	-10.8	-6.0	1.3	2.0	1.4
Newfoundland	2.6	2.6	2.5	-0.2	-0.3	-0.3	-0.3	-0.2	-0.2	-0.2
Prince Edward Island	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Nova Scotia	2.8	3.0	3.0	0.1	-0.2	-0.2	-0.2	-0.1	-0.1	-0.1
New Brunswick	4.4	4.4	4.3	-0.4	-0.7	-0.8	-0.7	-0.7	-0.6	-0.6
Quebec	25.6	28.3	28.8	2.6	-1.8	-2.6	-1.7	-0.1	0.0	-0.1
Ontario	1.6	9.2	11.6	9.6	-1.0	-2.7	-0.3	3.6	4.0	3.7
Manitoba	0.6	0.8	0.9	0.3	0.1	0.0	0.1	0.1	0.1	0.2
Saskatchewan	0.1	0.1	0.2	0.0	-0.1	-0.1	-0.1	-0.1	-0.1	0.0
Alberta	-0.7	1.3	1.6	1.6	-1.5	-2.0	-1.0	0.3	0.4	0.1
British Columbia	16.2	16.5	16.1	-0.8	-1.7	-2.0	-1.8	-1.6	-1.5	-1.5
Territories	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Effluent Reg., Propor. Distrib.	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
% Impact										
Canada	0.94	1.10	1.10	0.20	-0.11	-0.17	-0.09	0.02	0.03	0.02
Newfoundland	24.10	24.96	21.31	-1.47	-2.29	-2.67	-2.62	-2.30	-2.15	-2.05
Prince Edward Island	-0.36	-0.57	-0.38	0.22	-0.25	-0.44	-0.26	-0.02	0.00	-0.02
Nova Scotia	1.66	1.73	1.67	0.04	-0.09	-0.13	-0.10	-0.07	-0.06	-0.05
New Brunswick	4.50	4.38	4.21	-0.42	-0.66	-0.73	-0.71	-0.63	-0.58	-0.55
Quebec	1.44	1.53	1.50	0.14	-0.10	-0.14	-0.09	-0.01	0.00	-0.01
Ontario	0.07	0.38	0.44	0.37	-0.04	-0.10	-0.01	0.13	0.14	0.13
Manitoba	0.62	0.70	0.91	0.30	0.11	0.04	0.08	0.14	0.16	0.17
Saskatchewan	0.06	0.11	0.33	0.04	-0.12	-0.18	-0.15	-0.10	-0.08	-0.06
Alberta	-0.22	0.33	0.37	0.37	-0.33	-0.43	-0.23	0.07	0.08	0.03
British Columbia	2.12	2.07	1.93	-0.09	-0.20	-0.22	-0.21	-0.18	-0.17	-0.17
Territories	-4.31	-2.95	-2.26	-0.14	-0.69	-0.67	-0.48	-0.38	-0.34	-0.34

**Non-residential Structures Investment
Manufacturing
(Millions of Constant 1971 Dollars)**

Effluent Reg., Propor. Distrib.	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Impact										
Canada	171.0	177.1	176.9	3.9	-4.7	-6.2	-4.6	-2.3	-0.4	0.1
Newfoundland	11.3	11.4	11.3	0.0	-0.2	-0.3	-0.3	-0.2	-0.2	-0.1
Prince Edward Island	-0.1	-0.1	-0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Nova Scotia	9.2	9.3	9.3	0.1	-0.1	-0.2	-0.1	-0.1	0.0	0.0
New Brunswick	16.8	16.9	16.9	0.0	-0.3	-0.5	-0.4	-0.3	-0.3	-0.2
Quebec	81.9	82.5	82.6	0.8	-0.7	-1.1	-0.9	-0.5	-0.2	-0.2
Ontario	3.6	5.8	5.9	2.1	-1.6	-2.0	-1.2	0.0	0.7	1.0
Manitoba	1.9	2.0	2.0	0.1	-0.1	-0.1	0.0	0.0	0.0	0.0
Saskatchewan	-0.1	0.0	0.2	0.0	-0.1	-0.1	-0.1	-0.1	0.0	0.0
Alberta	-8.2	-5.8	-6.1	0.7	-0.7	-0.9	-0.6	-0.2	0.1	0.2
British Columbia	54.8	55.1	54.9	0.1	-0.8	-1.0	-0.9	-0.8	-0.6	-0.6
Territories	-0.1	-0.1	-0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Effluent Reg., Propor. Distrib.	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
% Impact										
Canada	10.57	10.62	9.87	0.22	-0.28	-0.35	-0.25	-0.12	-0.02	0.01
Newfoundland	50.59	52.63	43.62	-0.10	-0.70	-0.93	-0.77	-0.59	-0.43	-0.38
Prince Edward Island	-1.77	-9.19	-7.77	0.49	-0.24	-1.03	-0.88	-0.45	-0.05	0.12
Nova Scotia	28.29	28.57	24.12	0.24	-0.28	-0.41	-0.28	-0.16	-0.05	-0.02
New Brunswick	43.58	43.40	36.98	-0.10	-0.65	-0.82	-0.69	-0.55	-0.42	-0.37
Quebec	17.47	17.20	15.69	0.16	-0.15	-0.22	-0.17	-0.10	-0.05	-0.03
Ontario	0.69	1.08	0.92	0.36	-0.29	-0.35	-0.20	0.00	0.12	0.16
Manitoba	4.93	4.10	5.40	0.16	-0.20	-0.22	-0.13	-0.01	0.09	0.13
Saskatchewan	-0.11	-0.02	0.71	0.09	-0.28	-0.35	-0.26	-0.16	-0.05	-0.03
Alberta	-3.60	-2.44	-2.30	0.27	-0.29	-0.35	-0.21	-0.08	0.05	0.08
British Columbia	35.16	34.13	29.90	0.06	-0.44	-0.50	-0.42	-0.34	-0.26	-0.24
Territories	-14.81	-13.16	-10.89	0.60	-0.63	-0.74	-0.28	-0.06	0.24	0.26

