

The oilseed crushing sector will benefit from tariff removal under the agreement. Tariffs as high as 22 cents per bushel for flax seed will be eliminated.

By the end of the next decade those agricultural and food products, such as meat and livestock, grains and oilseeds which Manitobans produce and trade, will be able to compete on an equal footing in the U.S. without the burden of tariffs and other barriers at the border.

Energy

Electricity exports are very important to Manitoba. Canadian electricity exports to the U.S. have benefited consumers, utilities and the economy of the province for many years. Manitoba has been blessed with an abundance of renewable hydropower. These exports have been threatened by an American lobby called the Ad Hoc Coalition on International Electric Power Trade. This group represents U.S. coal companies, electric utilities and state officials seeking to limit U.S. imports of Canadian electricity. The group has alleged that Canadian power is subsidized and that the future of domestic electric power supply in northern states is threatened. The FTA will provide security for Manitoba's electricity exports under the energy section of the agreement. The reasons for which the U.S. can take import restrictive actions has been significantly narrowed, especially the national security restrictions on electricity and other products. And there is a special regulatory consultation provision to try to avoid future FERC and other regulatory decisions discriminating against Canadian exports.

In addition, the unique dispute settlement mechanism that guarantees the impartial application of respective anti-dumping and countervailing duty laws and other aspects of trade remedy law will ensure that the ad hoc coalition's allegations of subsidized exports will be subject to challenge and review by a binational panel which will determine whether existing laws were applied correctly and fairly. Manitoba Hydro, which has felt political protectionist pressures in the U.S., will be able to appeal to a bilateral tribunal.

Services

The service sector in Manitoba is a growing and vital sector of the province. Over 6,000 people work in professional industries alone in Manitoba. The new rules for trade in services will for the future extend the principles of national treatment, right of commercial presence and right of establishment to each other's providers of services.