

CANADA AND THE NORTH AMERICAN FREE TRADE AGREEMENT (NAFTA)

Information Technology

- ◆ Mexico -- immediate phase-out for telecommunications and high-tech products, including, pbx switching apparatus, modem digital multipliers, transmission apparatus, fibre optic cables; cathode ray tubes for televisions and computers, and monolithic and hybrid integrated circuits.
- ◆ Five-year phase-out for tariffs on telephone sets, central switching apparatus and printed circuits.
- ◆ Canada -- mostly duty free already, or immediate elimination for most of the above products; five-year phase-out for televisions and printed circuits.

Rail and Urban Transit

- ◆ Mexico -- immediate elimination for most rail products, including rolling stock, locomotives, urban rail cars and their parts including bogies, axles and wheels; 10-year phase-out on a few products, including passenger coaches and air brakes.
- ◆ Canada -- immediate elimination in this sector, except for 10-year phase-out for self-discharging railway cars and cargo containers.

Recreational, Household and Healthcare Products

- ◆ Mexico -- immediate elimination for Canadian export interests in health and medical equipment, including electro-diagnostic apparatus and X-ray equipment; the rest a mix of immediate, five-year and 10-year phase-outs.
- ◆ Canada -- immediate elimination for consumer products not made in Canada (e.g., hairdryers and toasters); five-year phase-out on most sporting equipment; 10-year phase-out for toys, roller skates, some brooms and miscellaneous manufactured items.

Furniture

- ◆ Mexico and Canada -- 10-year phase-out for most household and office furniture; immediate elimination for medical furniture.

Textiles and Apparel

- ◆ Mexico and Canada -- 10-year phase-out on all apparel; eight-year phase-out on most textile products; six-year phase-out on certain textile products, including wool fabrics; immediate elimination of duties on denim fabrics; and linen yarns and fabrics.