

Some important non-tariff measures have an impact on market access. Other measures affecting access for Canadian goods and services include product standards, government procurement practices (which vary from sector to sector, and from Commonwealth to state levels) and trade remedy laws (Australia is among the most active users of anti-dumping and countervailing duty statutes).

Canada's Market Access Priorities for 2003

- Continue to press for removal of the Australian ban on imports of pork products.
- Continue to work with Australia to ensure that softwood lumber regulations do not restrict Canadian lumber exports.

IMPROVING ACCESS FOR TRADE IN GOODS

Pork

For several years, Australia has maintained requirements preventing the import of unprocessed pork products from Canada and other countries due to alleged animal health concerns. The measure requires that imported pork must either be cooked in the exporting country or in a transitional facility in Australia. These measures raise the cost of Canadian pork and exclude Canadian exporters from direct access to Australia's retail market. Australia justifies the measures on the basis of the presence of porcine respiratory and reproductive syndrome (PRRS). Canada has long sought the removal of these restrictions, which are based, in Canada's view, on unsubstantiated health and safety claims.

In May 1998, Australian authorities proposed a generic Import Risk Analysis (IRA) on imported pork and sought public comment. In January 2001, Biosecurity Australia published an issues paper upon which Canada provided comments, including on the PRRS issue. It is anticipated that the draft IRA will be circulated for comment in 2003.

Softwood Lumber

In June 1999, Australia undertook an import risk assessment to assess the quarantine risk associated with imports of coniferous sawn lumber and log

imports from Canada, New Zealand and the United States. This will determine future import conditions on timber imported from these countries. It is anticipated that Australia, in its final assessment, is likely to recommend the implementation of phytosanitary treatments for products prior to export. This is likely to involve kiln drying, heat treatment and/or application of insecticides. Canadian scientists have been closely involved with Australian authorities at all stages of the IRA to ensure that the treatment of lumber does not become a serious threat to a trade that has been ongoing for more than a century. Annual Canadian coniferous lumber exports to Australia have averaged \$87 million over the past decade.

New Zealand

Overview

In 2002, Canada exported \$208 million in goods to New Zealand and imported \$555 million in return. In 2002, Canada's leading exports to New Zealand were fertilizer, frozen pork and lumber. Canada was New Zealand's largest foreign supplier of each of these products. In the same period, Canada's leading imports from New Zealand were fresh, chilled and frozen beef and lamb meat. Total Canadian foreign direct investment in New Zealand was \$1.5 billion in 1999.

Canada's Market Access Priorities for 2003

- Canada will continue to make representations pressing for the removal of New Zealand's restrictions on pork, trout and salmon.

IMPROVING ACCESS FOR TRADE IN GOODS

Pork

Effective September 1, 2001, New Zealand imposed new requirements suspending the import of unprocessed pork products from Canada and other countries due to alleged animal health concerns—porcine respiratory and reproductive syndrome.