

YUKON AND NORTHWEST TERRITORIES

Mineral exploration and production. Furs and tourism. The economic lifeblood of the Yukon and the Northwest Territories. All will benefit from the new Free Trade Agreement between Canada and the United States.

The economy of the two Territories relies on exports. Lead and zinc alone accounted for 78 percent of their exports in 1986.

KEY BENEFITS

Key provisions of the Agreement for the Yukon and the Northwest Territories are the progressive elimination of tariffs and the new mechanisms to settle disputes.

Tariff reductions will increase the scope for further processing resource-based products in the North where previously these products faced high U.S. tariffs, as well as lower the cost of imports of a whole range of products to be used as inputs to final products. The Agreement also means lower prices, more variety and selection for consumers.

The creation of a binding binational dispute settlement mechanism ensures better management of our trading relationship as a whole and, as it applies to anti-dumping and countervailing duties, begins the process of joint oversight of our laws dealing with unfair trade practices. Over the next five years, the two countries will negotiate a substitute system of anti-dumping and countervail laws in both countries that will further increase our security of access to the U.S. market.

This can only provide greater security of access to the U.S. market for Canadian exporters. That is precisely what the Government set out to achieve.

LOWER PRICES

Northern consumers stand to benefit from the Agreement. Nearly all manufactured goods and food consumed in the Territories are brought in from Southern Canada. Some are imported products which have faced Canadian tariffs or non-tariff barriers on entry from the U.S. and thus are more expensive to buy.