Countries". These countries have increased their share from approximately 6% in 1982 to over 17% in 1988. Canada has the least presence in this market with a decline in share from 19.3% in 1982 to 9.5% in 1988.

Another product group demonstrating consistent growth, at an average annual rate of 22.6%, is "Creams, liquids, etc., for cleaning and polishing, in containers not holding over 10 pounds each" (Schedule A 5543000). The major supplier is Europe with 45.5% of the 1988 import market. This share has increased significantly from the 1982 level of 25.3% of imports. Japan and "Other Countries" have also demonstrated growth in their share of imports with average annual growth rates of 9.3% and 11%, respectively, to 1988 levels of 16.6% and 13.7%, respectively. Canada is the second largest supplier with 24.4% of the 1988 import market. However, Canada's share of this import market has fallen significantly from its 60.6% share in 1982.

The product group offering the best opportunities for Canadian exporters may be "Soaps, including soap powders, but not including synthetic detergents" (Schedule A 5541000). Imports of these products have grown at an average annual rate of 21.7% and the total volume of imports in 1988 was $48.8 million (U.S.). European exports have lost significant market share with gains made by Canada and Japan. European exports dropped from a high in 1984 of 63.8% of the market ($17.4 million [U.S.]) to a seven-year low of 43.6% of the market or $21.3 million (U.S.) in 1988. Canada has increased share from 13.6% in 1982 to 30.3% of the U.S. import market in 1988 which represents the second highest dollar value of U.S. imports or $14.8 million (U.S.) in 1988.

As a consequence of rising prices of foreign imports, it appears that there is opportunity for further growth in Canada's market share of U.S. imports of chemical specialties for specific products. Given that tariffs on many chemical specialty products are significant, ranging from 2.4% to 12.3%, and that few products other than fertilizers are duty free, the Free Trade Agreement between the United States and Canada may have a considerable impact on trade in chemical specialties. Provisions in the Agreement will eliminate tariffs by January 1, 1998, with duties removed in stages commencing on January 1, 1989. A complete list of tariffs is found in Appendix 5.