

TARIFFS

A country imposes tariffs when it adds a tax on imports. This increases the cost of those imports.

What We Got

- Canada and the U.S. agreed to drop tariffs completely over a 10 year period.

Some tariffs will be dropped completely on January 1, 1989, some on January 1, 1993 and the rest by January 1, 1998.

Here's What We Kept

- Tariffs will come down more slowly in some areas sensitive to U.S. competition:
 - most farm products and processed food;
 - textiles and clothing;
 - appliances; and,
 - many other manufactured goods.This will help these industries to adjust.
- For 20 years, we'll be able to put temporary tariffs on fresh fruits and vegetables if Canadian producers need special protection.

How Will Business Benefit?

- The U.S. Government collected almost \$900 million in tariffs on Canadian exports in 1986. These tariffs will disappear.
- High tariffs currently keep us out of some U.S. markets. With Free Trade, these markets will open up to Canadian goods and services.
- The U.S. will remove its customs user fee by 1993. This fee imposes a charge on all imports to the U.S. It currently adds over \$200 million a year to the cost to U.S. buyers of Canadian goods.
- With our own tariffs gone, Canadian business people will be able to import a wider range of U.S. goods at lower cost. This will help them keep their production costs down.

How Will You Benefit Personally?

- You will find Canadian and U.S. goods cheaper to buy.