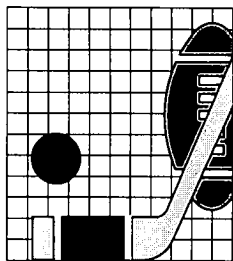


# CONSUMER GOODS



**T**he major consumer-goods sub-sectors are: appliances, consumer electronics, furniture and fixtures, and plastic products. Employment in these major sub-sectors is about 100,000, with production of more than \$10 billion a year in over 1,300 plants. Total employment is many thousands more when other smaller sub-sectors are included.

- Most consumer-goods industries in Canada were set up to serve the domestic market, concentrated in Ontario and Québec. They have benefited from relatively high tariffs. U.S. tariffs are generally much lower.
- Canadian consumers demand the best. That means domestic products must compete with imports. Canadian industries must be able to use the tools of mass production, rationalization and specialization.
- The Canadian market is too small and Third World imports are too cheap in most fields of consumer goods for Canadian manufacturers to be competitive today without exporting.
- A trade agreement with the United States could give Canadian consumer goods secure and unfettered access to the largest market in the world, whether for appliances and furniture, toys and games, or soap and toilet preparations.
- A phased-in reduction of tariffs in relation to different product lines would be important to the sector.

- In major appliances and consumer electronics, where foreign ownership is high, world product mandating would be the most favourable outcome under a trade pact.
- Furniture manufacturing would face strong competition from the U.S. without major off-setting export gains; but more specialized Canadian office furniture would have better prospects in both Canada and the United States.
- The fast-growing Canadian plastics products sector would likely more than hold its own in Canada and the U.S.



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