

FOREWORD

Canada and the United States are each other's principal trading partners. The bilateral Free Trade Agreement (FTA) has considerably enhanced this relationship and reduced barriers to trade on both sides of the border. The FTA provides rules and procedures to deal with trade problems and allows the two countries to negotiate new benefits for their exporters and investors.

The FTA, however, did not deal with all trade restrictions. Some were left to later resolution in the Multilateral Trade Negotiations (MTN) or in further bilateral negotiations envisaged under the FTA itself.

Obstacles to the free flow of goods, services and investment between Canada and the United States remain at the federal, state and local levels. This register offers an illustrative compendium of the range and complexity of barriers that Canadian business people must cope with daily.

The Canadian government is working to bring an end to these barriers. In some cases, they are inconsistent with U.S. obligations under the FTA or the General Agreement on Tariffs and Trade (GATT), and their elimination is being pursued within the framework of these agreements (see Chapter XI). In other cases, they are being addressed in the Uruguay Round negotiations of the GATT or in the North American free trade negotiations.