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- the regulations under the *Hazardous Products Act* require the use of symbols to indicate the safety hazards associated with certain products and their applications;
 - Agriculture Canada, under the *Canada Agricultural Products Standards Act*, has authority to establish standards and grades of wholesomeness for agricultural products.

Canadian requirements for consumer protection and information may differ from those of other countries and may sometimes represent a barrier to imported products. For example, where Canadian requirements differ from those of the exporting country, costly modifications may have to be carried out on foreign-made products before they can be sold in Canada. Therefore, consumers are well served by international compatibility of standards provided those standards are adequate to meet their interests.

Consumer Incomes and Expenditures

Statistics Canada has collected income and expenditure data on all age and income classes of Canadians: low-income and wealthy, single individuals as well as large families, the elderly pensioner and the young wage-earner. These data are useful in assessing the impact of the Agreement.

In 1986, Statistics Canada classified 3.7 million Canadians as living in low-income households; that is, urban households with an income of \$21,663 or less for a family of four, or \$10,651 or less for an individual living alone.

As expected, low-income households spend a greater proportion of their income on basic necessities. This is borne out by the data shown in Table 3.2. Food and shelter account for about 55 per cent of the expenditures of low-income consumers. By contrast, food and shelter comprise less than one-third of the consumer spending of higher-income Canadians. As a result, low-income Canadians have less to spend on other products both absolutely and proportionately.

Impacts of the Agreement on Canadians will differ because of variations in income and because of differences in tariff rates on various product categories. In dollar terms, higher-income Canadians would realize the greatest consumer savings because their expenditures are larger in all expenditure categories than those of low-income Canadians. However, taxes and services to which customs tariffs do not apply account for a greater proportion of the expenditures of higher-income consumers. Accordingly, in proportionate terms, the potential savings from the elimination of customs tariffs would be less for higher-income consumers.