

FISHERIES

The Canada-U.S. Free Trade Agreement will be of significant economic benefit to the Canadian fishing industry. The Agreement will:

- improve Canadian access to the large U.S. market for fish. Tariff reductions will give Canadian fish exporters an advantage over competing exporters from other countries and create opportunities for increased Canadian processing of value-added products and increased employment;
- benefit Canadian fish exports through the dispute settlement mechanism. Exporters will be assured that anti-dumping and countervail cases will be judged strictly in accordance with the law and with all the relevant facts. The time and money spent in defending these cases will be lessened due to the existence of the dispute settlement process;
- curtail trade impediments arising from U.S. regulations and procedures. Canada and the United States are committed to work toward the removal of technical barriers to trade;
- leave intact the powers of the Minister of Fisheries and Oceans to ensure benefits are derived from our fish resources for Canadians. The Agreement provides no direct or indirect access to Canadian fisheries stocks by U.S. fishing vessels; and
- maintain the Government of Canada's ability to operate social and regional development programs which benefit the fisheries, such as the Unemployment Insurance Program. These programs are not affected by the Agreement.

Canada's fishing industry is a world leader. It is the mainstay of hundreds of small communities in coastal areas throughout Canada. In redefining the rules and procedures for trade with Canada's largest trading partner, the Agreement will strengthen the potential for future growth of the fishing industry.

FORESTRY

The Canada-U.S. Free Trade Agreement will be of significant benefit to the forest industry in Canada. Three major components make up Canada's forest industry.

The first group includes the primary producers (lumber, pulp, newsprint and shingles and shakes) who have operated in a duty-free environment with the U.S. for a number of years. The primary producers have faced the full brunt of U.S. protectionism in recent years with two countervail investigations of Canadian softwood lumber and temporary tariffs imposed by the U.S. Administration on shingles and shakes. The immediate benefits for these producers will be security of access and a more expeditious and predictable mechanism for resolving trade disputes. Primary products account for over 85 percent of current Canadian exports by forest producers to the United States.

The second group includes producers of higher value-added or intermediate forest products such as paper and paperboard, waferboard, particleboard and plywood that serve both domestic and foreign markets. Elimination of tariffs on these products will open up