Trade Liberalization Between
Canada and the United States:
The Implications for
Canadian Consumers and Consumer Protection Policies

This paper is intended to provide background information on two major consumer related topics which are relevant to the possible upcoming Canada/U.S. trade liberalization discussions between Canada and the United States. The first topic is the impact which trade liberalization would have on consumers. The second is the possible role of the harmonization of Canadian and United States consumer protection policies in the trade liberalization process.

As a group, Canadian consumers have much to gain as a result of the elimination of barriers to trade between Canada and the United States. This gain can be expected to express itself in the main through improvements in real incomes due to reduced prices, enhanced quality, and increased availability of the products consumed. These benefits have, to some extent, been estimated in a number of studies directed to discerning the effects of trade liberalization on Canada and Canadians. For the purpose of this submission, Professor Tim Hazledine of the University of British Columbia was asked to provide a synthesis and analysis of the conclusions of these studies in order to indicate the magnitude of potential benefits to consumers. The results of this review are summarized in Part I of this submission while Profesor Hazledine's report is appended for those that wish to examine his presentation in greater depth.

With regard to the second topic, it is to be noted that there are a great many private and public standards setting agencies at different levels of political jurisdiction in Canada and the United States. The standards which are set and administered by these agencies, both on a compulsory and voluntary basis, are commonly intended to protect the consumer or the consumer's interests.

EXEMPT
Sec. 15(1)

Part II of this submission provides a brief sketch of this issue with the object of gauging its magnitude and, where possible or practical, harmonization. In making this