

As a general rule, the agreed reductions in tariffs will take place in 8 annual steps beginning on January 1, 1980. Once these reductions are fully implemented, tariffs on most manufactured goods in the EEC and Japan will be in the order of 5 to 7 percent, while raw materials will, with some exceptions, enter these markets free of duty or at low rates. Aircraft, aircraft engines and parts will also enter these countries, Canada, the United States and a number of other countries duty free as of January 1, 1980 under a specially negotiated agreement. For the United States, the average tariffs on manufactured goods will be in the area of 4 percent, although some products such as certain chemicals, textiles and footwear will continue to enter at much higher rates. For the most part, industrial materials will be free or the tariffs will be at very low levels. Of particular importance for Canada, a number of U.S. tariffs covering an important proportion of Canadian exports will be eliminated. Overall, well over 90 percent of current Canadian exports will enter at tariffs of 5 percent or less and close to 80 percent will be duty free, taking account of trade under the Automotive Agreement.

In the case of Canadian tariffs, the average rate on industrial imports will be reduced to between 9 and 10 percent. Most industrial raw material imports will continue to be free of duty. Like other participants, Canada has made no reductions - or comparatively small reductions - in the level of the Canadian tariffs on such items as textiles, clothing, footwear and ships.

Significant results were achieved in agricultural and fisheries products as well. On the agricultural side, important concessions have been exchanged with our major trading partners covering over \$1 billion worth of Canadian exports. Of particular significance is the breadth and depth of the concessions obtained from the United States. New trading arrangements of a consultative nature, but establishing minimum prices for trade in certain dairy products, have been negotiated for dairy products and for beef and veal. Agricultural trade is also expected to benefit from the agreements on some of the more general non-tariff barriers. Agreement has also been reached that further consideration will be given, within the GATT framework, to the establishment of improved consultative measures to address trading and related problems in agriculture. Important foreign concessions have been gained for certain fish products which will benefit both East Coast and West Coast producers although the degree to which foreign countries were willing to open their markets for fish and fish products was less than we sought. Finally, improved access has been obtained for Canadian whiskey in the United States, European and Japanese markets.