

However, it should also be acknowledged, as suggested above, that harmonization is not new. Aside from the GATT agreement on standards, the International Standards Association, for example, has encouraged the setting of world wide standards for many products over a long period of time. As for the Canada-United States context, it should also be recognized that Canadian standards meet or exceed United States standards so that harmonization would not be unidirectional. Nevertheless, more rigorous standards do not necessarily mean standards that yield greater protection to the consumer; therefore, lowering as well as raising standards may be appropriate in a harmonization exercise. Next, in some cases it can be expected that differences in standards are illusory rather than real insofar as only differences in wording and phraseology are involved. Finally, as in the case of adoption of the metric system, harmonization is already underway; in effect, differences in weights and measure may not represent an issue in the long term since it remains for the United States to accelerate the process of change so as to close the gap with Canada.

It should be kept firmly in mind that standards afford real protection to consumers. However, costs associated with differences in standards should be examined from the vantage of eliminating such costs, where possible or practical, without sacrificing protection.

EXHIBIT  
Sec. 15(1)

III

Conclusions

Hazledine's review of Canadian studies on the effects of trade liberalization from the viewpoint of the consumer's interest reveals that estimates of net benefits range from between very little to about nine percent of G.N.P., but never negative. He noted that this literature remains in an imperfect state, and this becomes very evident in the failure to adequately account for the benefits which would derive from the elimination of nontariff barriers. In spite of this, the uniformity of the conclusions of the studies reviewed provides very strong support for the conclusion that freer trade between Canada and the United States would serve the interests of Canadians, particularly Canadians as consumers.